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ABSTRACT

A project designed to develop a business ownership and management curriculum to be used at the prevocational and exploratory grade levels (grades 7-9) is reported in four sections. Section 1 contains an overview of the project. Section 2 presents the procedures, which involved the establishment of the research concept and curriculum model, the literature search, the development of behavioral objectives, creation of the curriculum, development of ancillary materials, the pilot test, and revisions. Section 3 presents the evaluation findings by business owners and managers, students, and teachers. Section 4 contains a summary of the pilot-test results in business exploration classes in Arkansas. The remaining three-fourths of the document includes the following appended materials: the behavioral objectives; a list of the resource personnel; core curriculum materials; ancillary materials in reading, mathematics, and the ninth grade curriculum; and an annotated bibliography. (The basic ownership and management core curriculum guide (appendix C) is available as a separate document.) (BM)

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BUSINESS OWNERSHIP CURRICULUM PROJECT FOR THE PREVOCATIONAL AND EXPLORATORY LEVEL (GRADES 7-9)

FINAL REPORT

Project No. V257012

Grant No. OEG-0-72-4848

U S DEPARTMENT OF HEALTH,
EDUCATION & WELFARE
NATIONAL INSTITUTE OF
EDUCATION

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CE 013 875

INTRODUCTION

In June 1972, the U. S. Office of Education of the U. S. Department of Health, Education, and Welfare awarded a 30-month grant to the National Business Education Association to develop a curriculum to acquaint seventh, eighth, and ninth grade students with business ownership as a career choice.

Since a major emphasis of this project was to develop career opportunities for minority youth, project staff members were selected from minority groups. Every effort was made to involve as many minority groups as possible in the development of the materials, and the project staff worked with minority and other small business enterprises in canvassing available materials and in developing and testing new ones. The Small Business Administration and the Office of Minority Business Enterprise of the U. S. Department of Commerce gave assistance in the areas of the project that related to their concerns.

The curriculum and opinions expressed herein do not necessarily reflect the position or policy of the National Business Education Association. However, NBEA is committed to the further development of career materials in the area of business ownership and in particular to education and training for minority business ownership.

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FINAL REPORT

SECTION I

OVERVIEW

A. IDENTIFYING THE PROBLEM

In 1968, the U.S. Census Bureau listed 9 million proprietorships, 900 thousand partnerships, and 1.5 million corporations, a total of almost 12 million businesses. Most of these businesses are small; a large number of them realize net income of less than $10,000 a year. However, large or small, they are all a vital part of American life.

In a typical American classroom, there are three or four potential business owners. They may be college-bound students studying any of the disciplines from the arts to the sciences. They may also be found in vocational courses: potential hairdressers, technicians of all types, salespersons, printers, or welders. They have backgrounds as varied as the types of businesses they will own.

The owners of these businesses represent a true cross section of the American population. In education, they range from persons holding Ph.D. degrees to those who never finished high school; in fact, some never got to high school. (This last group represents a sizable proportion--37 percent of business proprietors in 1960.) They range from those who were born into wealth to those who were born into abject poverty. They are not only a part of the urban and suburban population but of the small-town and rural population. Three million of them are farmers.

It should not be surprising that a major portion of American businesses are small. That is what built America. As recently as 1900, women and minority groups did not figure in the ownership role. "Mom" might be running the "store," but "Pop" was the legal owner. Things have changed drastically since then. Not only have roles changed with the opening of new opportunities, but techniques of management and ownership have evolved.

During this period, technological advances have abounded. Improvements in the means of organizing and controlling vast and complex enterprises have come about. The need for formal and informal training has been well recognized, and programs have been instituted by both industry and the educational community to meet recognized needs. The key to the creation of a working climate in which technological changes can take place is the owner himself. Without him as prime mover, an innovator, or even as a person who supports innovation in others, these technological advancements would not have been possible. Yet the applause is seldom his. Strangely enough, the owner is usually a nonentity in the mind of the public. Ownership as a role is so little recognized that we typically have not had the foresight to prepare young people educationally for such an eventuality.

The appalling rate of failure of new businesses, then, should come as no surprise. Statistics compiled by Dun and Bradstreet indicate that 34.3 percent of those who go into business fail within the first three years. Many of these failures result from a woeful lack of preparation for their new role. We spend a great deal of time and effort training young people to be employees, but little if any time training them to be owners of businesses. Yet more will be owners than will be members of any other single profession or follow any single trade. Some careers virtually imply being an owner at some time - farming and pharmacy are prime examples. Yet we don't think of them in that light. However, many of our young people are destined to follow business ownership as a career, and there is a clear pressing need for career education in that field. Such a program will not only benefit future owners but also future employees and consumers.

In its desire to awaken young people to the wide variety of ownership careers available and to create the necessary resource material, the Bureau of Adult and Vocational Education of the U.S. Office of Education awarded the National Business Education Association a grant to develop a business ownership and management curriculum to be used at the prevocational and exploratory levels (grades 7-9). Its goal has been to make students aware of the problems that business owners must solve, the means available to them for finding solutions, the demands made on business owners, and hopefully, the emotional as well as economic rewards that result from a job well done. An understanding of the requirements, problems, concerns, and techniques of business ownership is as vital to success in this area as it is in any other occupation. Only through formal education can this knowledge be acquired with any certainty, and only in this way can the percentage of new business failures be reduced.

People go into business, enter partnerships, or form corporations for a variety of reasons. Some see it as a sure road to personal economic improvement, perhaps wealth. Some seek personal independence: The wish to do a job as they think it should be done, without having to spend valuable time justifying their actions to others. Others see increased social status as an important result of becoming an owner. Whatever the reason or combination of reasons for going into business, the neophyte will find many surprises in the new venture. If he is not prepared, he may soon entertain misgivings about ever having chosen such a role. He will find out that as owner he will regularly work a long week, perhaps 60 or 70 hours (40 hours is for employees only). Vacations will be shorter, at least in the early years, and will come only when and if they can be scheduled. Pay? Well, that depends on how well the business is doing. It may not be the same month to month, at least until the business becomes well established. An owner does not have as much time to spend with his family as he might like; the business has to come first. If the new owner thinks that as a "boss" he will not have to justify his actions, not have to cultivate anyone, he will be disappointed to find that he still has many bosses: customers, creditors, the government, suppliers, his insurance company, and in a sense, even his employees. The rewards sought by the new owner may develop, but it will probably take time. Unfortunately, time is something he doesn't have much of.

The prospective business owner must, from the outset, sharpen his skills in analyzing the business, defining what it will be, who or what need it will serve, where it will locate, how it will market, and most important of all, where he will obtain financial backing and how much initial backing this business venture will require. Many of his most important decisions might have to be made as he rushes out the door, late for his next appointment. There is, however, one type of appointment for which he will never be late - the one where he asks to borrow money to run his business. He will be on time and prepared. He will have all the information needed to support every figure and every statement. He must be able to convince his prospective backer that he has a well thought-out plan, operates on a rational basis, and that he will succeed and be able to bring a suitable return to his investors.

The new business owner will learn about cash flow and working capital during his first week. He will find himself thinking about money a great deal, mostly because other people do. His employees expect to be paid the scheduled amount at the scheduled time, and without much concern for the owner's problems. Suppliers will either be paid or stop supplying. Investors feel the same way about the capital they invested and the interest they expect. The new owner will take an interest in bookkeeping and accounting that he may have previously thought impossible. If his business is small, as most are at least in the beginning, he will also be concerned with a hundred seemingly trivial things such as the condition of the furnace or the clogged drain in the restroom.

And then there are the "people problems." Regardless of the business, it is the people who work there who make or break it. The successful owner will learn how to utilize people well so that together they form a thriving enterprise. With this in mind, personal problems will be seen in a new light. Perhaps for the first time in his career, the owner will find that he personally hires employees. He must learn to work cooperatively with people, to get a fair day's work, and to pay a fair day's wage. If he hires employees, he may have to fire some of them, and he must learn to do so with firmness and humanity. He must learn to match people with jobs and to eliminate dissension in the ranks. He must recognize that people choose their jobs for the emotional rewards they bring as well as the financial ones.

He is responsible for the total operation of his business, for pulling all the pieces together so that they work. That would be enough to keep him busy in and of itself, but it leaves out a very important factor in business survival - sales. He will find that he has the final responsibility for marketing his firm's products or services and that the success of his business depends to a very large extent on the sales that are generated. Without the sale of goods or services, there is no business to operate.

In his role as sales manager (or if he has a sales manager, as the general manager), the new owner must learn how to effectively make his public aware of his product or service and how to make it attractive to them. This may involve such diverse activities as the selection of a site, decor, a name for the business, and the quality and price of his product. He must know to whom he is selling, what they expect, what they can or will pay, where they are, and how they may be reached. This, along with the ever-present financial considerations, will determine where he locates, how and where he advertises, how he presents himself, and what decisions he must make in selecting products and establishing prices. The new owner must be aware of the accepted standards of the industry and the special features of his product.

When an individual starts or acquires a business, it is usually in an area that he knows about and has experience in. If not, he may quickly find himself in deep trouble. The new owner usually finds that he must be more than an owner/manager; he must be an owner/manager/worker. He will not only have to work in some preselected phase of the business, but when an employee is late or ill or perhaps has quit, he may serve double duty by filling in. He will need a working familiarity with all phases of the business.

Regardless of how much an owner knows about his field, there will be some aspects that are new to him. For example, there are many legal requirements placed on a business. The owner may be a woman and working 70 hours each week, but she must not expect her secretary to work those hours - it is against the law. Social Security and Workman's Compensation, among other things, must be paid in most businesses, and there are laws governing them. There are also limitations on hiring minors. There may be legal limits on business location, building selection, choice of personnel, operating hours, or any aspect of the business operation. The new owner will soon learn that it is wise to seek good legal advice to avoid pitfalls.

Every business owner must be a risk-taker. It is part of the job. He finds himself continually making decisions with totally inadequate, unconfirmed information and often without sufficient time to analyze the information he does have. He may not even be able to accurately assess the importance of a particular decision to the life of his business or the results of failing to act. So he must act on the information he has, and his action must be on the basis of his best estimate of the situation at the time it was made. He must also learn that he lives in the world of the calculated risk, but he cannot afford to gamble.

As the owner takes his calculated risks and makes his decisions, he must do so with the most recent information available because businesses change. They grow and they fade away. The owner of a successful business must be constantly projecting what will happen in his industry, what the trends will be. He must learn what to look for, what to watch, and at times almost be able to foretell the future. Buggy whip manufacturers faced a severe problem two generations ago. They were forced to accept a dramatically reduced market, find a new business where they could successfully apply their capital assets and skills, or fail. In a less dramatic way this happens to many businesses every year. Fast-food establishments find that their industry is adding inside tables, transistor manufacturers find that the market is swinging to integrated circuits, and motor companies find that foreign-made subcompact cars are becoming increasingly popular. This change in styles and habits can even affect a small one-person operation such as the free-lance portrait tinter - the market for his skills practically disappeared after the invention of color photography.

While managing the myriad of details that have been discussed, the prospective business owner must not lose sight of his goals. He must appreciate that to be successful a business must as a productive and economical unit, continue to exist, grow, and make a profit. An owner finds that everything he learns is going to be important in helping him do what has to be done. Even so, there will be new encounters to be dealt with.

When one considers what an awesome task it is for an adult to assimilate all the knowledge and techniques necessary to be a successful owner, it seems almost impossible to give a young person the exposure he needs to understand ownership as a potential career choice. Because of the complexity of the tasks involved and the inexperience of the youngster in adult-like skills, it is necessary to devise a course of study that utilizes the skills and experience he has thus far acquired in concert with his own development needs to explore the basics of the business ownership role. This implies that the youngster must not only read about and visually experience the role of the owner but should also be provided with the opportunity to emotionally experience some of the feelings an owner has, although on a smaller, more controlled scale.

B. THE GOALS OF CAREER EDUCATION

The goals of the U.S. Office of Education's career education models are to:

1. Make all education subject matter more meaningful and relevant to the individual through restructuring and focusing it around a career development theme.
2. Provide all persons the guidance, counseling, and instruction needed to develop their self-awareness and self-direction; to expand their occupational awareness and aspirations; and to develop appropriate attitudes about the personal and social significance of work.
3. Assure the opportunity for all persons to gain an entry-level marketable skill prior to their leaving school.
4. Prepare all persons completing secondary school with the knowledge and skills necessary to pursue further education or to become employed.
5. Provide services for placing every person in the next step of his development, whether it be employment or further education.
6. Build into the educational system greater utilization and coordination of all community resources.
7. Increase the educational and occupational options available to all persons through a flexible educational system which facilitates entrance and reentry either into the world of work or the educational system.

C. INTEGRATING THE GOALS OF CAREER EDUCATION WITH BUSINESS OWNERSHIP AND MANAGEMENT

In developing and presenting a career exploration and awareness program for grades seven through nine, an immediate problem is finding a means by which the student can identify an immediate applicability of that which he is learning. The younger child in the seventh grade is less concerned with an immediate applicability primarily because he perceives very little in school that has any immediate applicability. A career awareness program to him is more of a diversion than a means by which he perceives an opportunity to learn a new and immediately applicable skill. The ninth grader, on the other hand, is much closer to the period in time in which he will find it necessary either to quit school and go to work or perhaps take part-time or summer employment. For him, it is important that some effort is made to provide an immediate applicability of the information presented. Like some other careers, business ownership and management is perhaps one of the most difficult to present in this light. Young people, 18 to 20 years old, do not perceive that it is possible for them to go into business for themselves, and for the most part this is a valid assumption. Ownership typically comes later in life. Management also is something that typically comes with more experience. Young people, being presented with ownership and management career information, require that within the program there be an aspect that provides them with immediate applicability. This has been accomplished to a certain degree by the inclusion of learning how to complete job applications and how to prepare for job interviews. Although the interest level increases for these types of learning experiences, the degree to which the students participated is directly related to their degree of self-confidence.

Another area of concern in developing programatic material is that the seventh and, to a lesser degree, the eighth grade students are within a period in their lives where the selection of a career field is based primarily upon an internalized desire to help others. Females primarily choose occupations such as teaching and nursing, and males primarily choose fields such as law or medicine. One also find geographical reasons for career choices. For example, an agricultural area will also promote a large number of prospective farmers in the seventh and eighth grades. This choice has very little to do with whether or not the student is truly inclined toward that field, but is instead more reflective of a feeling within the family that he will follow in his father's footsteps on the farm. However, the significance of these career choices lies in the fact that they are not perceived as being those which have either ownership or management roles attached. This is of course a false assumption. The field that is least likely to lead to ownership is, of course, teaching. However, teaching does have a management level, i.e., principals and superintendents among other categories, and the study of proper management is relevant to this career choice as well as to others. Most students identify teaching only with the classroom teacher and do not perceive the other categories as relevant. For the fields of medicine, law, and farming, the individual should prepare himself for the ownership and management role. Unfortunately, however, under the traditional educational plan, people following these professions are channeled very early into specialized learning, which typically does not include nor in any way refer to a necessity for ownership and management training. It is foolish to assume that a doctor does nothing but deal directly with patients. He is a small businessman. His success as a doctor, of course, is largely dependent upon his ability to administer to the sick, but if he is not able to handle the administrative problems associated with his practice, he will not be able to function effectively. An important part of his training should include tax laws, accounting, communication skills, interpersonal relationships, and so on. While he may have a well-developed bedside manner and be able to deal most effectively with a patient who is extremely ill, he also needs to learn to cope with the problems of the people who work for him. One of the goals that must be met in the development of career awareness training at the seventh, eighth, and ninth grade levels is to acquaint young people with the fact that ownership and management is not a separate career that has no relevance to any other career choice. A business produces a product or provides a service. The service or product may be directly related to any of a variety of other career choices. A young person who is interested in working with engines, motors, cars, trucks, etc. may get an opportunity to open his own garage. If all he knows is how to repair a car, he's going to fail in his business venture. There are specific skills related to ownership and management which, at some point in time, he must acquire. He has a better chance for success in his business if he acquires these skills prior to actually opening it.

At the career awareness and exploration level, grades seven through nine, the young person begins to recognize the satisfaction and requirements of various types of careers. In business ownership and management training, he has two particular kinds of awarenesses that he must go through. One, of course, is to recognize that management is a part of all careers. In assimilating this information, he also must discover that financial remuneration is directly related to the degree of responsibility in employment. This leads to the second kind of awareness necessary--his own personal needs. The young person at the seventh, eighth, and ninth grade levels must begin to think about what will make him happy for the rest of his life. He already knows whether he is an "indoor" person or an "outdoor" person; whether he likes detailed work or whether he likes work that requires very little detail; whether he relates well to people or whether he does not. At this point he must determine whether he wants to continue with this kind of lifestyle or whether he wants to change enough to be able to adopt a different kind of lifestyle. Once he begins to recognize the kind of lifestyle that is important to him as a person, he becomes more ready to accept certain kinds of careers as those most appropriate to him.

If, for example, it is important to a young person that he live in a comfortable house and have a good deal of money to satisfy his needs, there is absolutely no point in him selecting a career that will not provide him the opportunity to make that kind of money. The same is true if he is a person who likes being outdoors or who is happy only if he is coming in contact with people. If he likes being with people, then he doesn't want to prepare himself for a job that has him dealing primarily with things; but if he does not get along with other people ordinarily, he should prepare for a career that does not necessitate spending a great deal of time working directly with others. In each instance, there is no right or wrong so long as the career choice is guided by the needs of that individual.

The important thing in career education is to help the student become aware that what he chooses to become, what he prepares for, what he actually spends his life doing is more important to him than to anyone else. What really matters is what makes him happy. The job must provide him with personal satisfaction and sufficient financial reward to live the kind of life that makes him happy. If he can't find those things in a job, he must either reconcile himself to an unhappy life or find another job.

Business ownership and management is not a separate career, but a career that correlates with other careers. Businesses are not isolated entities. Every business provides either a product or a service, and each product or service relates to some other kind of career. In determining that business ownership is his primary career choice, the student is led to the next step - what kind of business he wants to own.

A problem being encountered in secondary schools in relation to business ownership and management as a career choice is that many young people feel that ownership and management are not responsive to the needs of society and the environment. It has to be shown that ownership and management are reflective of the individual's personality. When you choose to become an owner or a manager, you decide the kind of owner or manager you want to be. If you are extremely interested in environmental problems, you can design a business directly related to that. In addition, no matter what the business, you can make sure that it responds to environmental needs.

D. MEETING THE GOALS

In June 1972, a grant by the Office of Education of the U.S. Department of Health, Education, and Welfare was awarded to the National Business Education Association for a Business Ownership and Management Curriculum Development Project for the Prevocational and Exploratory Level. The design for the project permitted a literature search for existing material that might be appropriate, the development of the curriculum module, pilot testing, revision, and recommendations.

SECTION II

PROCEDURES

A. INITIATING THE PROJECT

During the initial stages of the project, much time was devoted to discussing the project concept with leaders in the field of business education. During this time, a finalized version of the research concept, including the specific components within the curriculum module, was developed.

In selecting staff for the project, it was decided to try to blend experience from education and business. Primary project staff people were chosen from the education field who also had experience in the entrepreneural role. Betty L. Cox, a former project manager for Philco-Ford Corporation and co-founder and administrator of her own business, was appointed director of research and development. Graham Lewis, co-founder and chief executive officer of Systems in Education and Training, a Miami-based, minority-owned firm, was named research analyst and project consultant. Both Miss Cox and Mr. Lewis have extensive experience in the development and implementation of curriculums.

In addition to the primary staff, additional specialists were enlisted to participate in the development of the project. Among them were Luke A. Forrest, Jr., who was formerly associated with an education products laboratory and is a specialist in the area of technical writing; and Judith P. Hyde, a program design specialist. A number of others worked on various aspects of the project throughout the 30-month period. (A complete listing of those contributing to the project is included in Appendix B.) Within this final report, the project staff and the National Business Education Association wish to express their gratitude to all those whose efforts on behalf of this project was a vital part in making it a success.

B. THE LITERATURE SEARCH

The first formal phase of the curriculum development project was a literature search to attempt to locate all materials relevant to business ownership and management and appropriate to grades seven through nine. Graham Lewis directed this effort. Staff members reviewed a great amount of literature including publications of the Small Business Administration and the Office of Minority Business Enterprise. Letters were sent to the major school districts throughout the United States in an effort to determine whether any curriculum was currently dealing directly with the subject matter at hand. The school systems contacted had no material available, but expressed a strong desire to receive such materials as soon as they were developed. This response indicates a recognition of the need for career education in ownership and management. The state education agencies in all 50 states and 12 major cities were contacted.

A number of films were reviewed and judged potentially useful under controlled circumstances. The project does not recommend the purchase of any films as there are none concerning ownership and management that would be directly appropriate to grades seven through nine. Under controlled circumstances, certain films created for use in teaching, supervision, and management can be implemented at these grade levels, but consider them as part of a typical curricular offering.

Ordinarily, one might consider a literature search to be one of the easiest aspects of any program. Although such a search might be lengthy, in most instances, it is a relatively routine procedure that yields an infinite number of sources to be reviewed and selected for inclusion in an annotated bibliography. However, this was not the case for the business ownership and management career awareness curriculum project. There were two specific problems: the lack of available materials directly related to business ownership and management, per se, and the reading and interest levels that had to be considered for students in grades seven, eight, and nine. If one could include all materials directly related to business ownership and management, a wide variety was available. However, the criteria necessitated by the appropriate reading level and interest level excludes much of the available material.

An extensive search was conducted utilizing the ERIC system, the U.S. Government Printing Office, various publishing houses, major school systems throughout the United States, and a call for information published in the BUSINESS EDUCATION FORUM. Although the search for information was not completely fruitless, it did reveal that a very limited amount of material suitable to the target population was available. A slightly broader view might anticipate that certain materials could be used as teacher reference only or with highly advanced classes. That would increase the percentage of material available for inclusion in an annotated bibliography.

The major source of information directly related to business ownership and management is the Small Business Administration, a branch of the U.S. Department of Commerce. The Small Business Administration publishes a wide variety of materials that would be quite useful to the emerging entrepreneur; however, the reading level of these publications is definitely above the appropriate reading level for the target population in this project. In order for them to be useful, it would be necessary to teach an extensive technical vocabulary. This, of course, was not possible within the given time allotted to the curricular module in career awareness. Therefore, the Small Business Administration publications are helpful only in relation to their use by teachers and, to some extent, by students who are definitely advanced in their reading level.

The most interesting of the Small Business Administration series is entitled, "Starting and Managing," This series of booklets covers a variety of small businesses, such as pet shop, retail florist, jewlery store, car wash, service station, etc. Rewritten for the appropriate grade level, they would be extremely good for career education purposes. The student would have an opportunity to learn about a specific business that relates to another interest he might have.

One of the most interesting things about seventh grade students in particular is their deep interest in people and emotions. Students at this age are beginning to try out their own feelings on an adult scale--to move into the broader mood swings that are more prominently evidenced in the eighth grade. The maturation level of the child makes it possible to utilize case studies with good results. In seeking appropriate material, the project staff found that films, originally designed for use in management and supervisory skills training, could be used in the case study concept with the seventh, eighth, and ninth grade population. Many of these films can be utilized successfully with the age group if the teacher takes sufficient care in preparing the lesson.

It is also interesting to note that the situation in an office or business portrayed in the films quite often parallels the situation which a youngster finds himself in at home. The same problems we encounter as children meet us again and again in slightly different form as we mature and gain experience in our adult careers. By permitting youngsters to draw on their own experiences, to relate with the film, allows him the opportunity to internalize problem-solving techniques. Drawing this type of parallel permits the youngster to recognize the immediate applicability in the kind of things he is learning and his own current situation. Because films represent a capital investment, they have not been included within the project's curriculum. However, several have been listed in the annotated bibliography, and if a teacher is interested, he can contact local or regional libraries in an effort to see which of those listed might be available. It is also recommended that the teacher determine whether any other films of a similar nature are available in his local or regional library. Because of the limited use of these films for the target population, there has not been an effort to make a complete listing of all possible films that might be utilized. In each instance, the teacher must review the film and determine whether or not it is appropriate to the particular student group he is currently working with. The teacher, better than anyone else, knows his students' capabilities. In all instances, the teacher is encouraged to utilize his own creativity and the knowledge of his particular student population. To insist that a curriculum module be used in a specific way negates the very core of teaching precepts. Teaching is a very personal activity requiring and relying heavily on the interaction between the teacher and his student group.

Several games are listed in the annotated bibliography, most of which will be available on the market subsequent to the start of this project. There are several games that may be appropriate for use with student groups, and it seems relatively obvious that more will be developed within the next few years. The teacher is urged to continue to seek out new games and assess them on an individual basis for their appropriateness.

C. BEHAVIORAL OBJECTIVES

The next step was the development of behavioral objectives, which would provide the framework around which the curriculum itself would be developed. Most important at this stage of the project were the particular goals of career education itself. (A list of behavioral objectives is attached in Appendix A.) Ownership and management are very difficult career areas to attempt to delineate in a short period of time. The type of person who can succeed in ownership and management is not one clear-cut personality type; all sorts of people with all sorts of interests make successful owners and managers. It is equally true that businesses can be operated quite successfully in a variety of different manners. What may be an acceptable and highly successful way of managing for one individual may be totally inappropriate for another. There is also such a wide variety in kinds of businesses that it becomes difficult to identify clearly whether or not business ownership and management, for example, is an indoor job or an outdoor job. A farmer is a small business owner; so is a doctor. Where they conduct their business is, of course, quite different. It is necessary in the development of an exploratory or awareness curriculum that the youngster have an opportunity to recognize all of the various sights and sounds of the job, all of the various locations in which it may take place, all of the various feelings he may experience; and yet, because there is such a tremendous diversity in ownership and management, it is virtually impossible to select a few examples and completely cover all that information. In the development of performance or behavioral objectives, a number of objectives were selected for the project. However, the primary behavioral objective in exploration and awareness in career education must come down to one basic affective objective: the student should be able to evaluate business ownership and management as a career choice in direct relationship to his own abilities, interests, and needs.

After the behavioral objective was selected, the next phase was to delineate the exact nature of the curriculum. It was suggested that the curriculum include a pretest, four (4) sound filmstrips, a business simulation game, and a posttest. Other intermediate evaluative devices were included for optional use by the teacher. In addition, evaluative devices related to the effectiveness of the curriculum and the useability of the guides were also to be developed.

Four (4) sound filmstrips were to be the principal means of conveying factual material. The purpose of this was to eliminate reading as the only means by which the student could gain information. Due to the wide range of reading levels encountered in the public school, it was considered important that all students have an opportunity to acquire factual information without stress on reading skills.

The first of the four filmstrips developed is entitled "Business Ownership." This filmstrip introduces ownership and management and discusses business and business operations in a general way. One of the first points brought out in the filmstrip is that age is not a criteria for ownership and management. Examples are given of individuals who owned and managed their own businesses before they had reached the age of twenty-one. A second point of emphasis is the diversity of business fields. It is pointed out early in the filmstrip that many different kinds of people are business owners, and an effort is made to show that a variety of interests can lead to eventual ownership and management. Some of the occupational areas shown and clearly identified are farming, automobile mechanics, service station operation, cosmetology, veterinary medicine, dress manufacturing, operation of a fast-food franchise, clothing design, and operating a grocery store.

Each of the four sound filmstrips is from 15 to 20 minutes long. Most of the people shown in the filmstrip actually operate and manage their own businesses-men and women, black and white, Spanish speaking and native-English speaking, young and old. Both photography and artwork were included in order to provide the most appropriate illustrations.

The second filmstrip, entitled "Marketing," deals with the marketing function of business ownership and management. One of the most difficult aspects in explaining marketing is that people tend to view marketing as having to do with only the selling of the product or service. While it is often fairly simple to explain that marketing includes advertising, there are a great many aspects of marketing that young people find difficult to associate with the marketing function. Everyone is familiar with advertising. Almost everyone is familiar with the various types of selling. However, such tasks as the development of a sales forecast or a sales projection are not within the frame of reference of most young people or indeed of a great many adults. Market research is an area in which some young people may have had contact; however, once again, it is an area comparatively alien to the frame of reference of most individuals. It is somewhat difficult to explain within a 20-minute filmstrip all the components that make up the marketing function. Therefore, while an overview was presented in the filmstrip, it was determined that additional reinforcement would be required either in the core curriculum or the ancillary material or both.

It was anticipated from the beginning that "Personnel Management," would be the most popular with the student population. Seventh grade students, in particular, are especially interested in interpersonal relationships and the emotions that people experience. Since personnel management deals directly with working with people, it was an area where students could find immediate interest. The filmstrip points out that personnel management can be one of the most interesting, and yet most challenging, aspects of business ownership and management as a career. The filmstrip also attempts to explain why people go to work. The students, of course, readily recognize that people go to work to earn money and that money is necessary in order to live comfortably or, perhaps, simply to survive. Somewhat more difficult to grasp is the concept of personal rewards, which is, of course, an abstract concept. Seventh and eighth grade students are just beginning to be able to move from the concrete to the abstract. Another problem in attempting to explain personal rewards is that, because it is an abstract concept, it is extremely difficult to show graphically. To say that someone is "happy in his work" would convey this specific idea only to someone who has had the experience. A young person who has never had a work experience and who does not relate school work to job work would not have such a frame of reference. Some concepts are somewhat easier to understand because almost every student has, at some time, accomplished something of which he felt proud. However, once again, it was determined that this area needs further definition in class discussion. The filmstrip alone will not be able to convey, specifically, the concepts of personal rewards.

It was expected that the fourth filmstrip, entitled "Financial Management," would be the least enjoyed of the four filmstrips. Young people of the target age group typically are not responsive to mass concepts. Therefore, since financial management deals primarily with numbers (although of course the numbers refer to money), it was anticipated that the students would have difficulty both in enjoying and learning from filmstrip No. 4. Since the financial aspect of business operation is so important, this area was one in which the largest number of concepts seemed to occur. The first script developed presented too many concepts in the 20-minute period allotted. It was found through pilot testing on a small scale that the script needed drastic revision to reduce the number of concepts in order for the viewers to absorb them. Once again, the information area would need reinforcement on several levels. One of the problems in the development of the "Financial Management" filmstrip was that the bulk of information would have to be conveyed through artwork instead of through showing pictures of people. Recognizing that students would rather look at pictures of people than artwork of numbers and record forms, photographs were combined with the artwork as much as possible in order to provide variety and reawaken interest before it could lag seriously.

During this early stage of the project, it was also determined that a business simulation game should be devised for not less than two nor more than eight players. It was found that more than six players drastically slows down the playing time for any game, and eight is the maximum manageable number in a group situation. Many aspects of the classroom situation were taken into consideration in making preliminary decisions about the game. It would have to consist of small pieces in order that it could be easily managed in a classroom and could at the conclusion of the game period, be easily put away. It would also have to be structured in such a manner that playing could stop at anytime and a winner determined. Since the classroom time available for playing any game tends to be at the conclusion of some other activity, it was anticipated that not more than 15 or 20 minutes would be available to play the game most of the time. The game, then, had to be simple and move quickly in the area of play so that everyone would have an opportunity to participate before the time period ended. The scoring must also be basically simple so that the determination of who won the game could be made within a moment or two at the conclusion of the playing period. It was hoped that a game could be designed in such a way that an instructor could utilize it as a reward by allowing students to play at the conclusion of necessary work scheduled in a class period.

Preliminary discussions were then begun with school officials to select a school system or systems to be used in the pilot project. Because of the difficulty in locating one school system with a wide variety of student backgrounds and levels, it was necessary to select more than one system as a potential testing site. The preliminary emphasis would be on how effective the curriculum is in seventh grade classrooms. However, it was also considered important to test it in the eighth and ninth grades if possible. In addition to utilizing fairly average school systems and classes, it was also decided to use at least one system which was representative of some of the most difficult problems anticipated by the staff.

In selecting photographs for the filmstrip, the project staff made use of photographs made available by the Jim Walter Corp. The Jim Walter Corp., a construction company, sponsored a contest to locate the 25 most successful business owners in the United States who were 25 years old or under. The corporation was most helpful in contacting winners in the Philadelphia, Pa., area for interviews and pictures.

During this period of the project, a high degree of interest was expressed by a wide variety of persons regarding the development of an additional curriculum for use at the high school level. Many people expressed their desire to see a complete and essential vocational course to be used at the junior and senior high school levels to teach business ownership and management as a vocational skill. Many employers who have had the experience of developing and operating a business feel that such a course would be of great value. It is the opinion of many that the problems of a new owner would be greatly reduced if the opportunity to learn about ownership and management during one's high school years were available. The reason for this seems to be the number of individuals who do not find it possible to go on to college. It is also felt by many that college is too late to provide this kind of intensive information. Others pointed out that even when students take courses in college that deal with management the information provided seems to refer only to management in large corporations. Small business ownership and management is still a neglected field. Since most people who enter ownership and management do so in the small business area, that is a serious oversight. The development of a curriculum project at the high school level in small business ownership and management is particularly exciting to those who would like to see skill training offered for potential entrepreneurs. It is also hoped that such a curriculum could be developed so that all individuals in a school system would recognize that this career choice may blend with another career choice already identified.

D. CREATING THE CURRICULUM

Of necessity, an exploratory program cannot dwell extensively on any one area. The decision to use 11 hours to present the necessary information on a career in business ownership and management was a difficult one to arrive at. Actually it was not enough time for a totally true picture of the ownership and management role. Eleven hours allowed only for the presentation of "black and white" ownership and management decisions. Management, of course, consists of a great many "gray" areas where decisions must be based on the situation, or the economy, or the community, or all three, at that point in the life of the business. On the other hand, 11 hours is too long to simply present an overview. Eleven hours offers the teacher the opportunity to awaken interest in ownership and management and start young people exploring on their own.

A problem arises in the development of any curriculum concerning what can reasonably be left out. If one is to give a true picture of ownership and management, there is a broad spectrum of concepts and experiences that must be at least touched upon. Even though specific skills need not be taught, the knowledge that those skills would be required for success in certain career options must be made available. All of this can be overwhelming to the young person, and it must be presented in such a manner that it can be assimilated without undue emphasis.

It was decided in staff conferences that the simplest means of dividing the curriculum into segments would be to follow the"division" established by the four functions within a business: operations, marketing, personnel, and finance. Operations would be presented first, as it most logically gives the greater overview of the business. The other functions are actually supportive of operations. The most difficult area for the student to understand is finance, which was therefore scheduled last in the presentation of concepts. Marketing and personnel, then, would comprise the middle two segments. The decision to present marketing first, followed by personnel, came as a result of the fact that personnel, having to do with people, would be the most interesting for the grade level. It was put in the next-to-last position in order to reawaken interest which may have lagged during the presentation of the second segment. This is not to imply that personnel administration is more interesting than marketing. It simply means that for seventh graders, that which they can readily perceive as having to do with people tends to garner more of their interest. The sequence, then, for the presentation of concepts (and thereby the sequence of the filmstrips) was established to be operations (filmstrip entitled "The Business Owner"), marketing, personnel, and financial management.

Also to be considered was the importance of using readily understood examples to explain concepts to students of the age and grade level at which the curriculum would be aimed. The visual models as well as the examples would need to be varied and identifiable as appropriate. The use of male and female figures would be important to show that ownership and management are career choices available to both boys and girls. A variety of age levels would also be required to indicate that ownership can come to young people as well as older ones. Emphasis was placed on the concept that some young people become owners before the age of 21. Also important was the use of various ethnic backgrounds in the models. Blacks, whites, and Spanish Americans were used, with one individual of Mexican extraction showing a strong Indian ancestry. No Oriental models were available, unfortunately. The individuals used were, for the most part, managers or owners of small businesses or were employed in roles similar to the one depicted in the narrative of the filmstrip. Sites used were actual business sites.

To show more clearly the concepts that were included, the staff worked diligently to provide examples suitable to the age and grade level. There was a concerted effort to assure that the examples would be as meaningful to urban children as rural ones. For example, the bake sale concept was used to illustrate the concept of breaking even. Every child has seen some form of the bake sale in his community, probably as a high school project.

The narrative was designed so that it would be pleasant to hear. That is to say, the words were put together in such a manner that they flowed smoothly, without tongue twisters. Scripting followed a specific pattern. First the outline for the specific filmstrip was created. A sequence was assigned for the concepts that were to be included, based on the behavioral objectives. The sequence was designed to be a logical procedure. When the script draft was completed, the writer would make a tape-recording of the script. The duration of each filmstrip was not to exceed 20 minutes. (Studies have shown that 15 to 20 minutes is the optimum length for a teaching filmstrip.) Once the timing had been checked and any necessary corrections made to adjust the time, the next phase was to listen to the filmstrip narrative to assure that the words did not have a different aural connotation than had been intended. When all corrections had been made, the filmstrip script was reviewed by other staff members for corrections necessary for factual content. Then, the filmstrip script was divided into segments that would parallel the visual shown on the screen. Staff, working singly and in concert, then decided what pictures would be most appropriate to convey the intended concept for each segment. Assignments were then made for the completion of photographic and other visual and graphic productions.

Subsequent checks were made with the visual materials to determine appropriateness to the concept and to the grade and age level and to assure that no offensive material was inadvertently used. Each script was reviewed by no fewer than three staff persons and one supervisor one time, and by one staff person and one supervisor a second time. The visuals and the script were placed side by side and reviewed in sequence as well as individually against the script itself.

When the scripts and visuals had been prepared, the next step was to select the voice for the narration. Audition tapes of a number of professional narrators were reviewed by two staff members, and the choice was narrowed down to three. Supervisors then selected the voice used from the three finalists. A staff member went to the studio for the recording of all tapes, taking with him three copies of the scripts: one for himself, one for the narrator, and one for the sound men and engineers. He sat through all recording sessions and reviewed the tapes as soon as the sessions were completed. All necessary retakes took place as the errors occurred in taping. Answer tapes were brought back to the project headquarters for review. Three staff persons reviewed the tapes separately. The tempo of the first tape was too rapid, and it was returned for retaping.

The visuals were delivered to a photographic laboratory for translation into filmstrips. Answer prints were returned for review. Required corrections were noted, and the filmstrips, with the narrative tapes, were scheduled for introduction into seventh and eighth grade classrooms in both a Catholic school and a public school. The attendees of the Catholic school were, for the most part, children of blue-collar workers in an Irish Catholic section of Philadelphia, Pennsylvania. The attendees of the public school were mostly black, lower income children. The filmstrips were shown in sequence, with a brief break between the first two and a longer break between the first two and the second two. Although conditions were far from ideal, the students paid close attention. They were able to answer questions about the content of the filmstrips. Students were asked to give their opinions of the four filmstrips. The script most enjoyed was "Personnel," which was shown third; the least liked was "Financial Management," which was shown last. The staff members noted that the majority of the class paid little attention to the fourth filmstrip after the initial few minutes. This confirmed what the staff already felt was true: that the filmstrip on financial management was too difficult, offering too many concepts too rapidly for assimilation. That script was scheduled for immediate revision. The number of concepts would be reduced, and the illustrations for each concept would be increased.

A scheduled part of the curriculum was a game that would simulate some aspect of business. A game was designed and tested, but it was ultimately judged unsatisfactory for the purpose of the curriculum. Subsequently, the game "Business Strategy" by Avalon Hill was used instead of the game designed under the project. The results appear in Section III, Evaluation.

Once the filmstrips and game were finished, it was possible to complete the teacher's guides. The guides included a more general guide (to be used by more experienced teachers) and 11 consecutive lesson plans (designed for use by the less experienced teacher). A copy of each script was included, along with an introductory passage designed to explain the materials and the career education concept to the teacher. Study aids were designed for student use, and these were included in the teacher's guide. The aids included both a vocabulary study sheet and a concept study sheet for each filmstrip. In the initial version of the curriculum, a pre- and posttest were included, along with four ancillary quizzes that the teacher could use if he so desired. Because the teachers tended to place too much emphasis on the acquisition of skills, the testing phase was eliminated from the final version.

Evaluation devices were designed to provide feedback from students and teachers. It was also decided to attempt to obtain feedback from parents, although it was recognized that it was asking too much for teachers to be faced with the task of trying to get back every single copy that went out to parents. A separate type of evaluation device was designed for feedback from business owners and managers across the United States including doctors, lawyers, farmers, service station owners, etc.

Copies of the materials were printed. It was then time to make final arrangements for pilot testing. Efforts were already underway to identify appropriate sites, and initial contacts were made. Subsequent to the pilot test in Philadelphia (with the filmstrips only) and the meeting of the National Advisory Committee, appropriate revisions were made in the filmstrips and narrative tapes. The final versions were scheduled for laboratory work.

While this effort was going on, other efforts were initiated to enhance the final product. A special curriculum was begun for ninth grade students which would be conducted in business classes or clubs only and which would permit the class to function and operate as a business. In addition, ancillary materials were designed for mathematics and language arts classes to round out the teaching approach to the concept of ownership and management. These additional course guides would permit schools to involve all major classes in the career education module.

E. DEVELOPMENT OF ANCILLARY MATERIALS

Although over and above the required scope of the grant proposal or statement of work, it was considered by project staff that the addition of a complete course of study for language arts classes and one for mathematics would greatly enhance the curriculum module. The basic information would still be conveyed through the use of the sound filmstrips in the basic or core curriculum, scheduled for presentation in social studies classrooms. However, reinforcement of concepts and further exploration of ownership and management rewards and requirements would be possible through the inclusion of ancillary materials in the other two "major" subject area--mathematics and language arts. This would permit a saturation approach to the career education topic, providing up to 33 hours of career education in business ownership and management. Pilot testing would be scheduled so that the core curriculum could be tested alone in some situations and, in other situations, as part of a three-part module.

There are many advantages to the use of the saturation approach to information presentation. The student has the opportunity to explore a basic set of concepts with several teachers. This presents him with several divergent points of view and encourages the transfer of learning from one situation to another. Also, when the available information to be covered in the program is as extensive as it is in business ownership and management, it provides the student an opportunity to explore more deeply and gives him time for some of the "fun" things that make learning interesting and lasting.

The first version of the language arts program relied heavily on reading or having stories read aloud to the class, depending upon ability levels. This was found boring and not conducive to the type of atmosphere desired for this learning experience. The final version of the curriculum offers a variety of experiences and allows more time for the presentation of those stories still included. One of the most successful experiences in this part of the program deals with interviewing, filling out job applications, and general information about finding a job. This was of particular interest to ninth-graders. The stories and exercises were written at the seventh grade level, but they were found to be too difficult, and revision to about fourth grade level was recommended.

The mathematics curriculum permitted the use of decision-making skills based on the information determined by working the exercises. The mathematics curriculum changed very little subsequent to pilot testing. It was determined that the primary need was to assure teachers that more than enough material had been provided for most classes, and it was intended that the classes go as far as they could in the exercises without necessarily completing them. The teacher should understand that the classes should be permitted to work at their own rates of speed with as much assistance as necessary in order to understand the concepts presented. The exercises would indeed help to reinforce mathematics concepts, but that is not their primary purpose. If students could not complete all exercises or if short cuts were offered by the teacher, this would be perfectly acceptable.

Ancillary materials and the respective guides appear in the Appendices. Appendix D, Ancillary Materials--Reading; Appendix E, Ancillary Materials--Mathematics; Appendix F, Ancillary Materials--Ninth Grade Curriculum; and Appendix G, Annotated Bibliography.

F. PILOT TESTING

A great deal of consideration went into the selection of the schools for pilot testing. It was considered desirable to have as wide a range of ability levels and experience bases among student participants as possible. This would permit more meaningful data to be gathered, and more conclusions could be drawn. In addition, the use of several classes would permit different teachers to utilize the curriculum, and it would be possible to determine how the curriculum works with different personalities and degrees of experience in the classroom.

Opportunities presented themselves to incorporate the curriculum in schools in the Miami/Dade County area of Florida. Two public schools and one private church-supported school participated. All students were in the seventh or eighth grade. A variety of teaching conditions were present. In one situation, 250 students were in class at one time in the regular school program. That setup being the norm, it was continued for the pilot test. Three teachers worked with each class group, rotating in the primary leadership role. Conversely, the private school classes were of average size. The students who participated in the pilot test in these schools were of diverse backgrounds--lower, middle, and upper-middle income level families. The majority of the public school students were black, but some were Cuban. The private school students were black and white. All were urban students; some had Northern backgrounds, but most were Southern.

Since the population in the Miami area is primarily urban, it was felt that a pilot test in a rural area would provide the best complement. A different range of ethnic and socioeconomic backgrounds would prove beneficial. An opportunity presented itself to utilize several schools in the Rio Grande Valley area of South Texas. This is a predominantly rural area, and some 85 percent of the population is of Mexican-American ancestry, ranging from poverty to upper income levels. Public school students in the seventh, eighth, and ninth grades participated in the pilot testing.

As a result of a presentation made to NBEA members at the national conference held in Chicago, Illinois, in February, 1974, conversations were begun with the state of Arkansas regarding possible pilot testing in that state. The Business and Office Education Division of the State Department of Education expressed interest in utilizing the program with ninth and tenth graders participating in exploratory business classes. Complete information about the pilot testing in that state will be included in section IV of this report.

The following numbers of students participated in the pilot program:

Miami, Florida	1600
Brownsville, Texas	1550
San Benito, Texas	1000
Edinburg, Texas	150
	4300

Of these, 500 were ninth graders, 1,800 were seventh graders, and 2,000 were eighth graders.

The method of approach was the same at all schools. Initial contact was made with the superintendent of schools, and subsequent to his approval, meetings were scheduled with principals of the schools that were to participate. In one school, the principal was not available, and discussions were held with counselors. The pilot testing went smoothly.

After the meetings were held with principals and superintendents, arrangements were made for preservice meetings. In each instance materials were delivered to the schools in advance of the preservice meetings, and principals were asked to deliver the materials (in particular, the teacher's guides) to the teachers. It was felt that preservice would be most fruitful if it occurred after the teachers had a chance to review the material. In almost every instance, this was not done, and teachers appeared at preservice meetings with little or no information about the curriculum. Teachers were, for the most part, somewhat resentful and warmed up to the project only after the preservice session was well underway. The primary purpose of these sessions was to allay any fears that teachers might have and to assure them that the material was to be flexible to their needs and personalities, within certain guidelines.

No preservice was held in the Brownsville schools.

One of the primary problems of pilot testing was getting the evaluation material back on time and in getting the filmstrips and tapes or records back at all. The schools tended to pass that responsibility down to individual teachers, who were not in direct contact with the project. Although directions were given to the principals about what materials were to be sent back and how they were to be returned, it was usually necessary to send someone to pick up the materials and package them for return.

Overall, pilot testing went well, and excellent data was returned. The results are discussed in Section III: Evaluation.

G. REVISIONS

Subsequent to the initial pilot testing period, the materials were reviewed and revisions made. The core curriculum needed the most extensive revision. It was felt that the pre- and posttests were detrimental to the goals of the curriculum, being representative of a desire to teach skills acquisition. The tests were removed in order to permit a more relaxed curriculum with the concept of exploration being the main purpose. In addition, more time was allowed between the presentation of filmstrips in order to (1) provide for more variety teaching strategies and (2) provide more time for the assimilation of ideas. A greater variety of exercises was included, permitting students to sample more of the diversity of the ownership role. In addition, the means of evaluating learning was changed to an essay at the conclusion of the module, in which the student discusses whether or not he feels that he would be interested in ownership and management.

SECTION III

EVALUATION

A. GENERAL STATEMENT

Several measures were applied to effect an evaluation of the curriculum. Educators, business owners and managers, teachers directly involved in the pilot testing, students, and parents were involved. Each group and its findings are discussed in detail below.

B. BUSINESS OWNERS AND MANAGERS EVALUATION

Names were selected at random to represent a variety of businesses across the United States. A letter was sent to each business owner or manager with a copy of the scripts for each of the four sound filmstrips, since these are the principal means of conveying factual information in the curriculum module. Also included was an evaluation checklist. Tables E.3, E.4, E.5, and E.6 give the percentages of responses for each question. It should be noted that for all four filmstrips only one area was considered "not responded to" in the filmstrips.

Table E.1 describes the percentage of responses that fall in Category 3 or better, Category 2 or better, and Category 1. Category 3 or better includes "adequately," "well," and "very well." Category 2 or better includes "well" and "very well," and Category 1 included "very well" only.

TABLE E.1

Percentage of Responses All Filmstrips by Answer Category

	Cat.3+	Cat. 2+	Cat. 1
Filmstrip #1	95%	54%	20%
Filmstrip #2	90%	58%	11%
Filmstrip #3	99%	51%	18%
Filmstrip #4	92%	53%	16%

Table E.2 indicates the percentage of responses to all questions by category. It also gives the cumulative percentage.

TABLE E.2

Percentage of Responses All Questions by Category

	%	c%
Category 1 (Very Well)	17%	100%
Category 2 (Well)	38%	83%
Category 3 (Adequately)	40%	45%
Category 4 (Poorly)	5%	5%
Category 5 (Not at All)	less than 1%	

C. STUDENT EVALUATION

All students who participated in the pilot testing were asked to give their responses to selected questions regarding the filmstrips themselves. The questionnaires were administered at the conclusion of each class period during which a filmstrip was shown. Tables E.7 through E.22 indicate the results of the questionnaires. These tables indicate the findings for seventh and eighth graders in public schools. Ninth graders in social studies classes in public school, and seventh and eighth graders in private schools. The filmstrips were received well by all groups, and students considered that learning had taken place.

D. TEACHER EVALUATION

Teacher evaluative devices were designed to yield several types of information. Most pertinent was the usability of the material, including, of course, the usability of the teacher's guide itself and the lesson plans. Also important was information about the content and efficacy of each lesson plan. It was determined through the use of the evaluative devices, as well as feedback from preservice training, that the inclusion of pre- and posttests, for example, was not conducive to the relaxed atmosphere which should accompany an exploratory program. One of the primary problems encountered with teachers was the concern that all material offered in the program had to be learned as a skill. The removal of the pre- and posttests helped considerably in this area. Another prominent concern has been the inability of the majority of teachers to work the materials as they saw fit, so long as they stayed within the general outline of the course content and used the filmstrips as they were scheduled. The only area where teachers consistently felt comfortable in departing completely from the lesson plans was during the game. But many teachers would not even try the game. They considered it so difficult that their students would be incapable of learning and performing the game during the time (three days) allowed. The game has subsequently been dropped from the module, and it does not appear in the final version.

TABLE E.3

Business Owner Evaluations by Percentage Responses for All Questions
Filmstrip #1

1 = Very Well 2 = Well 3 = Adequately 4 = Poorly
5 = Not at All

Does the filmstrip indicate realistically:

		1	2	3	4	5
1.	The time required by a business	12.5%	25%	50%	12.5%	0%
2.	The rewards of being an owner	12.5%	62.5%	12.5%	12.5%	0%
3.	The definitions of the four functions within a business;					
	a. Operations	25%	37.5%	25%	12.5%	0%
	b. Marketing	12.5%	50%	12.5%	12.5%	0%
	c. Personnel	12.5%	37.5%	37.5%	12.5%	0%
	d. Finance	12.5%	37.5%	37.5%	12.5%	0%
4.	The purpose of the board of directors	25%	37.5%	37.5%	0%	0%
5.	The principle types of businesses	37.5%	37.5%	25%	0%	0%
6.	The advantages of each type	37.5%	12.5%	50%	0%	0%
7.	The disadvantages of each type	0%	37.5%	62.5%	0%	0%
8.	The role of the owner	50%	12.5%	37.5%	0%	0%
9.	The role of stockholders	25%	12.5%	62.5%	0%	0%
10.	The method by which stockholders evidence control in a business	12.5%	25%	50%	0%	0%
11.	The need for rules in a business	12.5%	50%	37.5%	0%	0%
12.	How profit is used for growth	12.5%	25%	62.5%	0%	0%

TABLE E.4

Business Owner Evaluations by percentage Responses for All Questions Filmstrip #2

1 = Very Well 2 = Well 3 = Adequately 4 = Poorly 5 = Not at All

Does the Filmstrip indicate realistically:

		1	2	3	4	5
1.	The purpose of marketing in a business	37.5%	50%	12.5%	0%	0%
2.	The principal types of selling	12.5%	37.5%	37.5%	12.5%	0%
3.	The principal means of advertising	12.5%	62.5%	25%	0%	0%
4.	Appropriate uses of the various types of advertising	12.5%	25%	62.5%	0%	0%
5.	The definition of sales projection	0%	75%	25%	0%	0%
6.	The uses of the sales projection	0%	50%	50%	0%	0%
7.	The definition of market research	12.5%	37.5%	50%	0%	0%
8.	The use of market research	12.5%	37.5%	37.5%	12.5%	0%
9.	The relationship of marketing to operations	25%	50%	25%	0%	0%
10.	The relationship of sales to income	12.5%	50%	12.5%	25%	0%
11.	The necessity of predicting trends for business survival	12.5%	50%	37.5%	0%	0%
12.	The difference between marketing and selling	0%	50%	12.5%	37.5%	0%
13.	The difference between selling and advertising	0%	62.5%	37.5%	0%	0%

TABLE E.5

Business Owner Evaluation by Percentage Responses for All Questions Filmstrip #3

1 = Very Well   2 = Well   3 = Adequately   4 = Poorly
5 = Not at All

Does the filmstrip indicate realistically:

	1	2	3	4	5
1. The importance of people to a business	12.5%	75%	12.5%	0%	0%
2. The rewards of working with people	0%	62.5%	37.5%	0%	0%
3. The difficulties of working with people	37.5%	37.5%	25%	0%	0%
4. The necessity of rules	12.5%	50%	37.5%	0%	0%
5. The principal methods of determining payment for employees					
a. wages	37.5%	37.5%	25%	0%	0%
b. salary	37.5%	37.5%	25%	0%	0%
c. commission	37.5%	37.5%	25%	0%	0%
d. piece work	37.5%	37.5%	25%	0%	0%
6. What fringe benefits are	12.5%	62.5%	12.5%	12.5%	0%
7. That fringe benefits are a cost to the company	0%	75%	25%	0%	0%
8. Why fringe benefits are offered	0%	75%	25%	0%	0%
9. Why people work	0%	62.5%	37.5%	0%	0%
10. The importance of personal rewards	12.5%	62.5%	25%	0%	0%

TABLE E.6

Business Owner Evaluation by Percentage Responses for All Questions
Filmstrip #4

1 = Very Well 2 = Well 3 = Adequately 4 = Poorly
5 = Not at All

Does the filmstrip indicate realistically:

		1	2	3	4	5
1.	The sources of money	12.5%	62.5%	12.5%	12.5%	0%
2.	The expectations of the various sources in respect to return on investment	12.5%	25%	50%	12.5%	0%
3.	What a budget is	12.5%	25%	50%	12.5%	0%
4.	What a line of credit is	12.5%	25%	62.5%	0%	0%
5.	The purpose of a line of credit	12.5%	37.5%	50%	0%	0%
6.	The typical (general) items found in a budget	25%	12.5%	50%	12.5%	0%
7.	The difference between fixed and variable costs	12.5%	25%	50%	12.5%	0%
8.	The difference between assets and liabilities	37.5%	25%	37.5%	0%	0%
9.	What a balance sheet shows	37.5%	37.5%	25%	0%	0%
10.	The list of assets usually shown on on a balance sheet	25%	62.5%	12.5%	0%	0%
11.	The list of liabilities usually shown on a balance sheet	25%	50%	25%	0%	0%
12.	The definition of accounts receivable and accounts payable	12.5%	50%	37.5%	0%	0%
13.	The definition of net worth	12.5%	50%	37.5%	0%	0%
14.	How to determine net worth	12.5%	50%	25%	0%	0%
15.	The definition of profit	12.5%	37.5%	37.5%	0%	0%
16.	The difference between profit and loss	12.5%	37.5%	37.5%	12.5%	0%
17.	What steps the owner can take if the business does not show a profit	12.5%	12.5%	50%	25%	0%
18.	The need to know a good deal about a business before determining whether or not the business is sound	0%	37.5%	37.5%	25%	0%

TABLE E.7

Table of Percentage Between Groups - 7th and 8th Grade Participants

1. Enjoy Filmstrip

	Very much	Quite a bit	Somewhat	Not at all
Business Ownership	26	41	25	8
Personnel	25	40	23	12
Finance	24	42	23	11
Marketing	23	40	29	8
Average	24.5	40.75	25	9.75

2. Learn Anything

	Very much	Quite a bit	Somewhat	Not at all
Business Ownership	19	49	28	4
Personnel	20	47	24	9
Finance	18	50	25	7
Marketing	17	48	28	7
Average	18.5	48.5	26.25	6.75

3. Understand Speaker

	All the time	Most of the time	Sometimes	Never
Business Ownership	17	50	28	5
Personnel	30	39	21	10
Finance	28	46	20	6
Marketing	18	48	32	2
Average	23.25	45.75	25.25	5.75

4. Speaker's Speed

	Too fast	Just right	Too slow
Business Ownership	11	82	7
Personnel	10	77	13
Finance	17	70	13
Marketing	15	72	13
Average	13.25	75.25	11.5

5. Pictures Used

	Very good	Good	Fair	Poor	Very poor
Business Ownership	15	41	38	4	2
Personnel	19	35	32	3	11
Finance	19	36	30	6	9
Marketing	15	42	34	3	6
Average	17	38.5	33.5	4	7

TABLE E.8

Table of % Within Groups 7th and 8th Grade Participants

Business Ownership

1. Enjoy filmstrip	Very much	Quite a bit	Somewhat	Not at all
	26	41	25	8
2. Learn anything	19	49	28	4

3. Understand Speaker	All the time	Most of the time	Sometimes	Never
	17	50	28	5

4. Speaker's Speed	Too fast	Just right	Too slow
	11	82	7

5. Pictures used	Very good	Good	Fair	Poor	Very poor
	15	41	38	4	2

TABLE E.9

Table of % Within Groups 7th and 8th Grade Participants

Personnel

	Very much	Quite a bit	Somewhat	Not at all
1. Enjoy Filmstrip	25	40	23	22
2. Learn anything	20	47	24	9

	All the time	Most of the time	Sometimes	Never
3. Understand Speaker	30	39	21	10

	Too fast	Just right	Too slow
4. Speaker's Speed	10	77	13

	Very good	Good	Fair	Poor	Very poor
5. Pictures Used	19	35	32	3	11

TABLE E.10

Table of % Within Groups 7th and 8th Grade Participants

Marketing

	Very much	Quite a bit	Somewhat	Not at all
1. Enjoy Filmstrip	23	40	29	8
2. Learn Anything	17	48	28	7

	All the time	Most of the time	Sometime	Never
3. Understand Speaker	18	48	32	2

	Too fast	Just right	Too slow
4. Speaker's Speed	15	72	13

	Very good	Good	Fair	Poor	Very poor
5. Pictures Used	15	42	34	3	6

TABLE E.11

Table of % Within Groups 7th and 8th Grade Participants

Financial Management

1. Enjoy Filmstrip	Very much	Quite a bit	Somewhat	Not at all	
	24	41	23	11	
2. Learn Anything	18	50	25	7	
3. Understand Speaker	All the time	Most of the time	Sometimes	Never	
	28	46	20	56	
4. Speaker's Speed	Too fast	Just right	Too slow		
	17	70	13		
5. Pictures Used	Very good	Good	Fair	Poor	Very poor
	19	36	30	6	9

TABLE E.12

Comparison by Filmstrip - 9th Grade Participants-
Shown by Percentage

1. Enjoy Filmstrip	Very Much	Quite a Bit	Somewhat	Not at All
Business Owner	21	40	33	6
Marketing	20	40	33	7
Personnel	25	39	32	4
Finance	18	38	39	5

2. Learn Anything	Very Much	Quite a Bit	Somewhat	Not at All
Business Owner	14	40	33	13
Marketing	19	53	21	7
Personnel	19	46	32	3
Finance	16	44	35	5

3. Understand Speaker	All the Time	Most of the Time	Sometimes	Never
Business Owner	18	49	31	2
Marketing	24	53	23	0
Personnel	31	49	20	0
Finance	26	50	24	0

4. Speaker's Speed	Too Fast	Just Right	Too Slow
Business Owner	8	84	8
Marketing	11	86	3
Personnel	5	92	3
Finance	10	87	3

5. Pictures Used	Very Good	Good	Fair	Poor	Very Poor
Business Owner	24	32	26	6	2
Marketing	9	35	47	6	3
Personnel	12	36	42	6	4
Finance	12	33	41	7	7

TABLE E.13

Table of % Within Groups 9th Grade Participants (Social Studies)

Business Owner

1.	Enjoy Filmstrip	Very Much	Quite a Bit	Somewhat	Not at All	
		21	40	33	6	
2.	Learn Anything	Very Much	Quite a Bit	Somewhat	Not at All	
		14	40	33	13	
3.	Understand Speaker	All the Time	Most of the Time	Sometimes	Never	
		18	49	31	2	
4.	Speaker's Speed	Too Fast	Just Right	Too Slow		
		8	84	8		
5.	Pictures Used	Very Good	Good	Fair	Poor	Very Poor
		24	32	26	6	2

TABLE E.14

Table of % Within Groups 9th Grade Participants (Social Studies)

Marketing

1.	Enjoy Filmstrip	Very Much	Quite a Bit	Somewhat	Not at All	
		20	40	33	7	
2.	Learn Anything	Very Much	Quite a Bit	Somewhat	Not at All	
		19	53	21	7	
3.	Understand Speaker	All the Time	Most of the Time	Sometimes	Never	
		24	53	23	0	
4.	Speaker's Speed	Too Fast	Just Right	Too Slow		
		11	86	3		
5.	Pictures Used	Very Good	Good	Fair	Poor	Very Poor
		9	35	47	6	3

TABLE E.15

Table of % Within Groups 9th Grade Participants (Social Studies)

Personnel

1. Enjoy Filmstrip	Very Much	Quite a Bit	Somewhat	Not at All	
	25	39	32	4	
2. Learn Anything	Very Much	Quite a Bit	Somewhat	Not at All	
	19	46	32	3	
3. Understand Speaker	All the Time	Most of the Time	Sometimes	Never	
	31	49	20	0	
4. Speaker's Speed	Too Fast	Just Right	Too Slow		
	5	92	3		
5. Pictures Used	Very Good	Good	Fair	Poor	Very Poor
	12	36	42	6	4

TABLE E.16

Table of % Within Groups 9th Grade Participants (Social Studies)

Finance

1. Enjoy Filmstrip	Very Much	Quite a Bit	Somewhat	Not at All	
	18	38	39	5	
2. Learn Anything	Very Much	Quite a Bit	Somewhat	Not at All	
	16	44	35	5	
3. Understand Speaker	All the Time	Most of the Time	Sometimes	Never	
	26	50	24	0	
4. Speaker's Speed	Too Fast	Just Right	Too Slow		
	10	87	3		
5. Pictures Used	Very Good	Good	Fair	Poor	Very Poor
	12	33	41	7	7

TABLE E.17

Table of % Between Filmstrips Reponses of 7th Graders in Private School

1. Enjoy Filmstrip	Very Much	Quite a Bit	Somewhat	Not at All
Business Owner	26	41	28	5
Marketing	12	19	57	12
Personnel	9	32	50	9
Finance	24	17	46	13

2. Learn Anything	Very Much	Quite a Bit	Somewhat	Not at All
Business Owner	33	43	21	2
Marketing	9	38	45	7
Personnel	9	39	50	7
Finance	30	30	43	6

3. Understand Speaker	All	Most	Some	Never
Business Owner	38	45	14	2
Marketing	40	38	21	2
Personnel	41	36	23	0
Finance	34	37	28	0

4. Speaker's Speed	Too Fast	Just Right	Too Slow
Business Owner	36	64	0
Marketing	26	72	2
Personnel	25	75	0
Finance	35	63	2

5. Pictures Used	Very Good	Good	Fair	Poor	Very Poor
Business Owner	31	45	14	7	2
Marketing	17	36	31	9	7
Personnel	20	30	39	7	4
Finance	11	37	35	13	4

TABLE E.18

Table of % Between Filmstrips Responses of 8th Graders in Private School

1. Enjoy Filmstrip	Very Much	Quite a Bit	Somewhat	Not at A
Business Owner	10	28	48	12
Marketing	8	11	68	13
Personnel	9	20	60	11
Finance	8	28	61	3

2. Learn Anything	Very Much	Quite a Bit	Somewhat	Not at A
Business Owner	23	38	36	3
Marketing	3	27	65	5
Personnel	6	46	46	2
Finance	11	33	50	6

3. Understand Speaker	All	Most	Sometimes	Never
Business Owner	38	38	23	0
Marketing	30	35	35	0
Personnel	40	43	17	0
Finance	45	36	19	0

4. Speaker's Speed	Too Fast	Just Right	Too Slow
Business Owner	31	59	10
Marketing	32	59	8
Personnel	20	71	9
Finance	33	64	3

5. Pictures Used	Very Good	Good	Fair	Poor	Very Poor
Business Owner	8	38	28	10	15
Marketing	3	16	46	22	13
Personnel	6	26	43	17	8
Finance	8	28	44	14	6

TABLE E.19

% Comparison Between Groups 7th and 8th Grade Private School

Business Ownership

1. Enjoy Filmstrip	Very Much	Quite a Bit	Somewhat	Not at All
7th Grade	26	41	28	5
8th Grade	10	28	48	12

2. Learn Anything	Very Much	Quite a Bit	Somewhat	Not at All
7th Grade	33	43	21	2
8th Grade	23	38	36	3

3. Understand Speaker	All	Most	Some	Never
7th Grade	38	45	14	2
8th Grade	38	38	23	1

4. Speaker's Speed	Too Fast	Just Right	Too Slow
7th Grade	36	64	0
8th Grade	31	59	10

5. Pictures Used	Very Good	Good	Fair	Poor	Very Poor
7th Grade	31	45	14	7	2
8th Grade	8	38	28	10	15

TABLE E.20

% Comparison Between Groups 7th and 8th Grade Private School Marketing

1. Enjoy Filmstrip	Very Much	Quite a Bit	Somewhat	Not at All
7th Grade	12	19	57	12
8th Grade	8	11	68	13

2. Learn Anything	Very Much	Quite a Bit	Somewhat	Not at All
7th Grade	9	38	45	7
8th Grade	3	27	65	5

3. Understand Speaker	All	Most	Some	Never
7th Grade	40	38	21	2
8th Grade	30	35	35	0

4. Speaker's Speed	Too Fast	Just Right	Too Slow
7th Grade	26	72	2
8th Grade	32	59	8

5. Pictures Used	Very Good	Good	Fair	Poor	Very Poor
7th Grade	17	36	31	9	7
8th Grade	3	16	46	22	13

TABLE E.21

% Comparison Between Groups 7th and 8th Grade Private School

Personnel

1. Enjoy Filmstrip	Very Much	Quite a Bit	Somewhat	Not at All
7th Grade	9	32 32	50	9
8th Grade	9	20	60	11

2. Learn Anything	Very Much	Quite a Bit	Somewhat	Not at All
7th Grade	9	39	50	2
8th Grade	6	46	46	2

3. Understand Speaker	All	Most	Some	Never
7th Grade	41	36	23	0
8th Grade	40	43	17	0

4. Speaker's Speed	Too Fast	Just Right	Too Slow
7th Grade	25	75	0
8th Grade	20	71	9

5. Pictures Used	Very Good	Good	Fair	Poor	Very Poor
7th Grade	20	30	39	7	4
8th Grade	6	26	43	17	8

TABLE E.22

% Comparison Between Groups 7th and 8th Grade Private School

Finance

1. Enjoy Filmstrip	Very Much	Quite a Bit	Somewhat	Not at All
7th Grade	24	17	46	13
8th Grade	8	28	61	3

2. Learn Anything	Very Much	Quite a Bit	Somewhat	Not at All
7th Grade	31	30	43	6
8th Grade	11	33	50	6

3. Understand Speaker	All	Most	Some	Never
7th Grade	34	37	28	0
8th Grade	45	36	19	0

4. Speaker's Speed	Too Fast	Just Right	Too Slow
7th Grade	35	63	2
8th Grade	33	64	3

5. Pictures Used	Very Good	Good	Fair	Poor	Very Poor
7th Grade	11	37	35	13	4
8th Grade	8	28	44	14	6

TABLE E.23

Summative Check List All Teachers Results in Percentages

Using a Scale of 1 - 5, with 1 as the highest:

		1	2	3	4	5
1.	The quality of the total curriculum	30%	37%	27%	6%	0%
2.	Clarity of lesson plans	37	30	27	6	0
3.	Ease in following lesson plans	37	27	36	0	0
4.	Appropriateness for grade level	20	16	44	10	10
5.	Appropriateness for use with disadvantaged youngsters	14	16	26	30	14
6.	Appropriateness for use with slow learners	14	13	27	16	30
7.	Appropriateness for use with average ability youngsters	14	30	40	16	0
8.	Appropriateness for use with above average youngsters	27	37	30	6	0
9.	Ability to integrate the curriculum into the regular school year	30	16	44	10	0
10.	Flexibility of curriculum in reference to different ability levels	16	13	49	16	6
11.	Flexibility of curriculum in reference to different interest levels	17	17	50	13	3
12.	Ability to relate the curriculum to real life situations	27	20	48	6	0

TABLE E.24

Teacher Evaluation of Filmstrips Shown in Percentage

Using a Scale of 1 - 5, with 1 as the highest

	1	2	3	4	5
Business Owner	33%	37%	20%	10%	0%
Marketing	33	37	20	10	0
Personnel	33	37	20	10	0
Financial Management	33	37	20	10	0

Only social studies teachers showed the filmstrips in class. Language arts and mathematics teachers were asked to rate the worksheets used in their classes, also using a scale of 1 - 5. In the language arts classes, teachers scored the worksheets at 75 percent at level 3, and 25 percent at level 2. The mathematics teachers rated the worksheets as follows: 20 percent at level 1, 40 percent at level 2, 20 percent at level 3, 0 percent at level 4, and 20 percent at level 5. It is interesting to note that the math teachers were more varied in their opinions: 80 percent selected level 3 or better with 60 percent at level 2 or better. On the average, language arts teachers did not rate the worksheets above level 3.

Perhaps one of the most important questions asked teachers was in respect to their desire to use the curriculum again. Table E.25 gives that response.

TABLE E.25

Desire to Use the Curriculum Again by %

1	23%
2	17
3	27
4	23
5	10

Sixty-seven percent of the teachers indicated some desire to use the curriculum by choosing level three or higher. Only 10% indicated no desire to use the curriculum again.

E. PARENT EVALUATIONS

The use of parent evaluations was in itself an experiment and was not considered by the staff to be a particularly successful one. Teachers were not required to pursue the parent evaluations, and only about 50 percent were returned. The responses on the parent evaluation questionnaires were somewhat ambiguous. It can be generally stated, however, that for the most part if the student usually talked about his school work at home, he talked about this curriculum. If he talked about it, he liked it to some degree, although not necessarily a large degree. Parents did not feel that the curriculum had made much of an impact on the student's ability to choose a career. Some parents, however, who are in business for themselves, were pleased at the presentation of this information as they felt it helped the students better understand the parents and their work.

SECTION IV

PILOT TESTING IN BUSINESS EXPLORATORY CLASSES IN ARKANSAS

A. GENERAL STATEMENT

A presentation concerning the curriculum development project was made at the NBEA Convention in Chicago, Illinois, in February 1974. At that meeting Dr. Amanda Copeland, Supervisor of Business and Office Education for the state of Arkansas, was contacted. She expressed interest in the program and the curriculum product, and arrangements were made to pilot test the curriculum in the Exploratory Business classrooms throughout the state. Students in Exploratory Business classes may be in the eighth, ninth, or tenth grade, which gave a slightly broader base to the pilot testing. The participating teachers would use the revised core curriculum with the same filmstrips used in previous testing.

A preservice session was held in Conway, Arkansas, in early August with participating teachers from a variety of school systems. It was unfortunate that the teachers had not had an opportunity to review the teacher's guide prior to the meeting in order that a more meaningful dialogue could take place. However, the response in terms of program results was very positive.

Approximately 860 students participated in the pilot testing. The ability levels were quite varied, and the socioeconomic mix ranged from disadvantaged to upper income. All students had expressed an interest in business or some aspect of business, as a career by selecting the elective course of Exploratory Business. The number of participating teachers was 14.

B. RESULTS OF THE PILOT TESTING

The results of the pilot testing were very favorable. Although teachers had been asked, of necessity, to work the program into the early part of the school year in order to submit data in time for inclusion in the report, all teachers felt the program went well. Several teachers commented on the positive response of their students. Requests were made by teachers for the continued use of the materials, and one teacher requested the special ninth grade curriculum. A copy of the teacher's guide was sent for her review.

The only problem cited was the lack of an audible tone on the cassette recordings. Since automatic equipment was not available, the teachers had to change the filmstrip picture manually.

Table A.1 shows the summative checklist results for all teachers, shown in percentages. On a scale of 1 to 5, with 1 as the highest, five questions were answered 91 percent or higher for rank #1 and #2. Only one question out of twelve shown in the table was ranked at less than 50 percent at levels 1 and 2. The lowest ranking was given to the questions that had to do with using the curriculum with slow learners.

Table A.2 gives a comparison by filmstrip for participating Exploratory Business students. Only a small percentage of the students replied negatively to the questions regarding the filmstrips. The responses were consistent within a few percentage points across the four filmstrips. Table A.3 through 6 show the responses in percentages by filmstrip for the Exploratory Business classes.

Table A.7, A.8, A.9, and A.10 describe the responses in percentages between groups for each of the filmstrips. Public school students were consistent across grades, with a more positive reaction than that of the private school. However, since only one teacher and one private school were sampled, the information cannot be generalized. The public school samples are far more representative, and more accurate generalizations can be drawn from that data.

Table A.11 compares the findings of the teachers from the junior high school setting (nonbusiness-oriented) with the teachers from the business orientation setting. The Exploratory Business teachers indicated consistently higher rating of the curriculum. This should not be surprising, however, as it fits with the type of curriculum they recognized as being a part of the regular teaching task. It is less threatening in the initial meeting than it is for teachers who find the concepts more alien.

Although they cannot be shown in the tables, the most significant means of evaluation of learning for students is shown in the essays written at the conclusion of the module. These essays consistently show that learning has taken place and that the goal of the curriculum, in terms of assessing ownership and management as a potential career choice, has been met successfully.

Eighty-seven percent of the participating teachers expressed a strong desire to use the curriculum on a continuing basis in the regular school year.

TABLE A.1

SUMMATIVE CHECK LIST ALL TEACHERS (ARKANSAS) RESULTS IN PERCENTAGES

Using a scale of 1 - 5, with 1 as the highest:

		1	2	3	4	5
1.	The quality of the total curriculum	50%	42%	8%	0	0
2.	Clarity of lesson plans	58	42	0	0	0
3.	Ease in following lesson plans	58	33	8	0	0
4.	Appropriateness for grade level	54	36	10	0	0
5.	Appropriateness for use with disadvantaged youngsters	16	42	25	16	0
6.	Appropriateness for use with slow learners	8	25	33	33	0
7.	Appropriateness for use with average ability youngsters	42	50	8	0	0
8.	Appropriateness for use with above average youngsters	58	25	8	8	0
9.	Ability to integrate the curriculum into the regular school year	58	33	8	0	0
10.	Flexibility of curriculum in reference to different ability levels	16	58	16	8	0
11.	Flexibility of curriculum in reference to different interest levels	16	58	26	0	0
12.	Ability to relate the curriculum to real life situations	58	42	0	0	0

TABLE A.2

COMPARISON BY FILMSTRIP - EXPLORATORY BUSINESS STUDENTS
SHOWN BY PERCENTAGES

1. Enjoy Filmstrip	Very Much	Quite a Bit	Somewhat	Not at All
Business Owner	24	30	41	5
Marketing	23	26	43	8
Personnel	15	36	42	7
Finance	19	32	44	4

2. Learn Anything	Very Much	Quite a Bit	Somewhat	Not at All
Business Owner	16	47	34	5
Marketing	14	47	34	5
Personnel	14	41	41	4
Finance	18	40	40	2

3. Understand Speaker	All the Time	Most	Sometimes	Never
Business Owner	52	37	11	0
Marketing	51	37	11	1
Personnel	59	33	8	0
Finance	55	34	11	0

4. Speaker's Speed	Too Fast	Just Right	Too Slow
Business Owner	14	83	3
Marketing	14	82	4
Personnel	9	87	4
Finance	11	86	3

5. Pictures Used	Very Good	Good	Fair	Poor	Very Poor
Business Owner	17	51	24	5	0
Marketing	27	40	28	4	1
Personnel	18	48	28	5	1
Finance	21	38	35	5	1

TABLE A.3

TABLE OF PERCENTAGES WITHIN GROUPS - BUSINESS EXPLORATORY STUDENTS

Business Owner

1.	Enjoy Filmstrip	Very Much	Quite a Bit	Somewhat	Not at All	
		24	30	41	5	
2.	Learn Anything	Very Much	Quite a Bit	Somewhat	Not at All	
		16	47	34	5	
3.	Understand Speaker	All	Most	Some	Never	
		52	37	11	0	
4.	Speaker's Speed	Too Fast	Just Right	Too Slow		
		14	83	3		
5.	Pictures Used	Very Good	Good	Fair	Poor	Very Poor
		17	51	24	5	0

TABLE A.4

TABLE OF PERCENTAGES WITHIN GROUPS - BUSINESS EXPLORATORY STUDENTS

Marketing

1.	Enjoy Filmstrip	Very Much	Quite a Bit	Somewhat	Not at All	
		23	26	43	8	
2.	Learn Anything	Very Much	Quite a Bit	Somewhat	Not at All	
		14	47	34	5	
3.	Understand Speaker	All time	Most time	Sometimes	Never	
		51	37	11	1	
4.	Speaker's Speed	Too Fast	Just Right	Too Slow		
		14	82	4		
5.	Pictures Used	Very Good	Good	Fair	Poor	Very Poor
		27	40	28	4	1

TABLE A.5

TABLE OF PERCENTAGES WITHIN GROUPS - BUSINESS EXPLORATORY STUDENTS

Personnel

1. Enjoy Filmstrip	Very Much	Quite a Bit	Somewhat	Not at All	
	15	36	42	7	
2. Learn Anything	Very Much	Quite a Bit	Somewhat	Not at All	
	14	41	41	4	
3. Understand Speaker	All	Most	Sometimes	Never	
	59	33	8	0	
4. Speaker's Speed	Too Fast	Just Right	Too Slow		
	9	87	4		
5. Pictures Used	Very Good	Good	Fair	Poor	Very Poor
	18	48	28	5	1

TABLE A.6

TABLE OF PERCENTAGES WITHIN GROUPS - BUSINESS EXPLORATORY STUDENTS

Financial Management

1.	Enjoy Filmstrip	Very Much	Quite a Bit	Somewhat	Not at All	
		19	32	44	4	
2.	Learn Anything	Very Much	Quite a Bit	Somewhat	Not at All	
		18	40	40	2	
3.	Understand Speaker	All	Most	Some	Never	
		55	34	11	0	
4.	Speaker's Speed	Too Fast	Just Right	Too Slow		
		11	86	3		
5.	Pictures Used	Very Good	Good	Fair	Poor	Very Poor
		21	38	35	5	1

TABLE A.7

COMPARISON BETWEEN GROUPS BY FILMSTRIP, SHOWN IN PERCENTAGES

Business Owner

1. Enjoy Filmstrip	Very Much	Quite a Bit	Somewhat	Not at All
7/8 grade (Public)	26	41	25	8
9th (Public)	21	40	33	6
7th (Private)	26	41	28	5
8th (Private)	10	28	48	12
Exploratory	24	30	41	5

2. Learn Anything	Very Much	Quite a Bit	Somewhat	Not at All
7/8 (Public)	19	49	28	4
9th (Public)	14	40	33	13
7th (Private)	33	43	21	2
8th (Private)	23	38	36	3
Exploratory	16	47	34	5

3. Understand Speaker	All	Most	Some	Never
7/8 (Public)	17	50	28	5
9th (Public)	18	49	31	2
7th (Private)	38	45	14	2
8th (Private)	38	38	23	1
Exploratory	52	37	11	0

4. Speaker's Speed	Too Fast	Just Right	Too Slow
7/8 (Public)	11	82	7
9th (Public)	8	84	8
7th (Private)	36	64	0
8th (Private)	31	59	10

5. Pictures Used	Very Good	Good	Fair	Poor	Very Poor
7/8 (Public)	15	41	38	4	2
9th (Public)	24	32	26	6	2
7th (Private)	31	45	14	7	2
8th (Private)	8	38	28	10	15
Exploratory	17	51	24	5	0

TABLE A.8

COMPARISON BETWEEN GROUPS BY FILMSTRIP, SHOWN IN PERCENTAGES

Marketing

1. Enjoy Filmstrip	Very Much	Quite a Bit	Somewhat	Not At All
7/8 grade (Public)	25	40	23	22
9th (Public)	20	40	33	7
7th (Private)	12	19	57	12
8th (Private)	8	11	68	13
Exploratory Business	23	26	43	8

2. Learn Anything	Very Much	Quite a Bit	Somewhat	Not at All
7/8 (Public)	20	47	24	9
9th (Public)	19	53	21	7
7th (Private)	9	38	45	7
8th (Private)	3	27	65	5
Exploratory	14	47	34	5

3. Understand Speaker	All	Most	Some	Never
7/8 (Public)	30	39	21	10
9th (Public)	24	53	23	0
7th (Private)	40	38	21	2
8th (Private)	30	35	35	0
Exploratory	51	37	11	1

4. Speaker's Speed	Too Fast	Just Right	Too Slow
7/8 (Public)	10	77	13
9th (Public)	11	86	3
7th (Private)	26	72	2
8th (Private)	32	59	8
Exploratory	14	82	4

5. Pictures Used	Very Good	Good	Fair	Poor	Very Poor
7/8 (Public)	19	35	32	3	11
9th (Public)	9	35	47	6	3
7th (Private)	17	36	31	9	7
8th (Private)	3	16	46	22	13
Exploratory	27	40	28	4	1

TABLE A.9

COMPARISON BETWEEN GROUPS BY FILMSTRIP, SHOWN IN PERCENTAGES

Personnel

1. Enjoy Filmstrip	Very Much	Quite a Bit	Somewhat	Not at All
7/8 (Public)	25	40	23	32
9th (Public)	25	39	32	4
7th (Private)	9	32	50	9
8th (Private)	9	20	60	11
Exploratory	15	36	42	4

2. Learn Anything	Very Much	Quite a Bit	Somewhat	Not at All
7/8 (Public)	20	47	24	9
9th (Public)	19	46	32	3
7th (Private)	9	39	50	2
8th (Private)	6	46	46	2
Exploratory	14	41	41	4

3. Understand Speaker	All	Most	Some	Never
7/8 (Public)	30	39	21	10
9th (Public)	31	49	20	0
7th (Private)	41	36	23	0
8th (Private)	40	43	17	0
Exploratory	59	33	8	0

4. Speaker's Speed	Too Fast	Just Right	Too Slow
7/8 (Public)	10	77	13
9th (Public)	5	92	3
7th (Private)	25	75	0
8th (Private)	20	71	9
Exploratory	9	87	4

5. Pictures Used	Very Good	Good	Fair	Poor	Very Poor
7/8 (Public)	19	35	32	3	11
9th (Public)	12	36	42	6	4
7th (Private)	20	30	39	7	4
8th (Private)	6	26	43	17	8
Exploratory	18	48	28	5	1

TABLE A.10

COMPARISON BETWEEN GROUPS BY FILMSTRIP, SHOWN IN PERCENTAGES

Financial Management

1. Enjoy Filmstrip	Very Much	Quite a Bit	Somewhat	Not at All
7/8 (Public)	24	41	23	11
9th (Public)	18	38	39	5
7th (Private)	24	17	46	13
8th (Private)	8	28	61	3
Exploratory	19	32	44	4

2. Learn Anything	Very Much	Quite a Bit	Somewhat	Not at All
7/8 (Public)	18	50	25	7
9th (Public)	16	44	35	5
7th (Private)	31	30	43	6
8th (Private)	11	33	50	6
Exploratory	18	40	40	2

3. Understand Speaker	All	Most	Some	Never
7/8 (Public)	28	46	20	56
9th (Public)	26	50	24	0
7th (Private)	34	37	28	0
8th (Private)	45	36	19	0
Exploratory	55	34	11	0

4. Speaker's Speed	Too Fast	Just Right	Too Slow
7/8 (Public)	17	70	13
9th (Public)	10	87	3
7th (Private)	35	63	2
8th (Private)	33	64	3
Exploratory	11	86	3

5. Pictures Used	Very Good	Good	Fair	Poor	Very Poor
7/8 (Public)	19	36	30	6	9
9th (Public)	12	33	41	7	7
7th (Private)	11	37	35	13	4
8th (Private)	8	28	44	14	6
Exploratory	21	38	35	5	1

TABLE A.11

COMPARISON BETWEEN TEACHER GROUPS RESULTS SHOWN IN PERCENTAGES

Using a scale of 1 - 5, with 1 as the highest:

	1	2	3	4	5
1. The quality of the total curriculum					
Exploratory Business Teachers	50%	42%	8%	0%	0%
Other Teachers	30	37	27	6	0
2. Clarity of the lesson plans					
Exploratory Business Teachers	58	42	0	0	0
Other Teachers	37	30	27	6	0
3. Ease in following lesson plans					
Exploratory Business Teachers	58	33	8	0	0
Other Teachers	37	27	36	0	0
4. Appropriateness for grade level					
Exploratory Business Teachers	54	36	10	0	0
Other Teachers	20	16	44	10	10
5. Appropriateness for disadvanataged					
Exploratory Business Teachers	16	42	25	16	0
Other Teachers	14	16	26	30	14
6. Appropriateness for slow learners					
Exploratory Business Teachers	8	25	33	33	0
Other Teachers	14	13	27	16	30
7. Appropriateness for average ability					
Exploratory Business Teachers	42	50	8	0	0
Other Teachers	14	13	40	16	0
8. Appropriateness above average ability					
Exploratory Business Teachers	58	25	8	8	0
Other Teachers	27	37	30	6	0
9. Ability to integrate curriculum					
Exploratory Business Teachers	58	33	8	0	0
Other Teachers	30	16	44	10	0
10. Flexibility for different levels					
Exploratory Business Teachers	16	58	16	8	0
Other Teachers	16	13	49	16	6

TABLE A.11 (continued)

11. Flexibility for interest levels					
Exploratory Business Teachers	16	58	26	0	0
Other Teachers	17	17	50	13	3
12. Ability to relate to life					
Exploratory Business Teachers	58	42	0	0	0
Other Teachers	27	20	48	6	0

APPENDIX A

Behavioral Objectives

SEQUENCED CLUSTERS OF LEARNING
BUSINESS OWNERSHIP AND MANAGEMENT CURRICULUM PROJECT

Cluster 1

General Ownership

- Identify by name and function the main subdivisions of a business.
- State the measure(s) of success of any business.
- Recognize that the owner has the final responsibility for the business.
- Recognize that the owners should have a working knowledge of a business before becoming an owner.
- Recognize that the owner should like the business he undertakes.
- Identify and characterize the three main types of business enterprises.
- Recognize that production is a function of people and their work environment.
- Define and state the purpose of and the limits on goal setting.
- State the main features of a business plan.
- Describe how a business plan is used to assure achievement of desired result.
- Identify Small Business Administration as a source of aid in establishing a small business.

Cluster 2

Financial Management

- Recognize that many business problems are related to financial problems.
- Recognize assets.
- Recognize liabilities.
- State the criteria for discriminating between assets and liabilities.
- Describe how the net worth of a business is computed.
- Recognize fixed and variable costs.
- State the criteria for discriminating between fixed and variable costs.
- Identify what cost category may be used to control costs.

- Describe how the cash requirement for a month is determined.
- Given a simple budget, make a cash projection for a month.
- Identify three sources of money for a business.
- Determine working capital by reading a simple balance sheet.
- Given simple balance sheets of several companies, rank them in the order of success.
- Given a simple financial situation and two simple alternatives, select the one which will best further the interest of the company.

Cluster 3

Marketing

- Describe the function of marketing in a business.
- Identify three ways of selling a product or service.
- Identify four ways to advertise a product or service.
- State two common uses of a sales projection.
- Describe the purposes of forecasting market trends.
- Describe in simple terms the major effect of the market on price.
- Identify and describe the elements used to create a price.
- Describe how a break-even point is determined.
- Given a break-even chart and current sales, determine if sales are profitable, breaking even, or at a loss.
- State two basic rules for establishing inventory level.
- Describe the impact of a slow-moving or too large an inventory on working capital.

Cluster 4

Personnel Management

- Recognize that production is a function of people and their work environment.
- Recognize that rules and policies are necessary.
- State the major criteria for selecting a work force.
- Recognize that assignments must be based on the strengths and weaknesses of both the owner and the person to whom work is being assigned.
- Identify the principal rewards sought by employees.

- Identify and describe the major types of compensation (wages, salary, commission, benefits).

- State the major criteria for determining employee compensation.

- State the criteria for determining if a task can be delegated and to whom.

- Recognize the basic rules for, and limits to, delegation of responsibility and authority.

Cluster 5

Simulation Game

- This simulation game will reinforce the information from the previous clusters. Emphasis will be on application of techniques and imparting some of the emotional experiences of a business owner.

OBJECTIVES
BUSINESS OWNERSHIP AND MANAGEMENT CURRICULUM PROJECT

Knowledge of Terminology Related to Business Ownership and Management (Knowledge 1.11, Terminology)

- Be able to define in his own words the important business terms (a word list is being prepared)

Knowledge of Specific Facts Related to Business Ownership and Management (Knowledge 1.12, Specific Facts)

- Identify three legal requirements connected with personnel administration.
- Identify three sources of money.
- Identify three ways of selling a product or service.
- Identify four ways to advertise a product or service.
- Identify the principal rewards sought by employees.
- Identify the major elements that make up price.
- Identify the Small Business Administration as a source of aid in establishing and operating a small business.
- Describe the purpose of forecasting market trends.

Knowledge of Conventions Related to Business Ownership and Management (Knowledge 1.21, Conventions)

- Identify the two most important profit-related ratios as profit to sales and profit to assets.
- State the main features of a business plan.

Knowledge of Classifications and Categories (Knowledge 1.23, Categories)

- Identify by name and function the main subdivisions of responsibility in a business.
- Characterize fixed and variable (controllable) costs.
- Identify and describe the major types of compensation (wage, salary, commission, benefits).
- Characterize assets.
- Characterize liabilities.
- Identify and describe the elements used to build up to a price.

- Identify and characterize the three main types of business enterprise.

Knowledge of Decision Making Criteria Associated with Business Ownership and Management (Knowledge 1.24, Criteria)

- State the measure of success of any business.
- State the major criteria for determining employee compensation.
- State the major criteria for selecting work force.
- State the criteria for discriminating between fixed and variable (controllable) costs.
- State the criteria for determining if a given task can be delegated and to whom it may be delegated.
- State the criteria for discriminating between assets and liabilities.

Knowledge of Methods and Techniques Used by a Business Owner to Run His Business (Knowledge 1.25, Methodology)

- Define, state the purpose of, and limits on, goal setting.
- Describe how a business plan is used to assure achievement of desired results.
- Describe how the net worth of a business is computed.
- Describe how the cash requirement for a month is determined.
- State two common uses of a sales projection.
- State two basic rules for establishing inventory level.
- Describe how pricing elements are used to arrive at a price.
- Describe how a break-even point is determined.
- Identify what cost category may be used to control costs.
- Describe in simple terms the major effect of the market on price.

Knowledge of Business Ownership and Management Principles (Knowledge 1.31, Principles and Generalizations)

- Describe the impact of a slow moving or too large an inventory on working capital.
- State that every business problem is related to a financial problem.
- State that the owner should have working knowledge of a business before becoming an owner.

- State that the owner should like the business that he enters.
- Recall the basic rules for, and limits to, delegation of responsibility and authority.
- Recall that production is a function of people and their work environment.
- Recall that rules and policies are necessary to employee satisfaction and efficient business operation.
- Recall that the owner has the final responsibility for the business.
- Recall that assignments must be based on the strengths and weaknesses of both the owner and the person to whom work is being assigned.

Interpretation of Business Information (Comprehension 2.20, Interpretation)

- Given a break-even chart and current sales, determine if sales are profitable, breaking even, or unprofitable.
- Given a simple financial situation and two simple alternatives, select the one which will best further the interest of the business.
- Given simple balance sheets of several companies, rank the companies in order of success.

Application of Business Information (Application 3.00)

- Given a simple calendarized budget, make a cash projection for a month.
- Determine working capital by reading a simple balance sheet.

APPENDIX B

Resource Personnel

Fred Harrod, Urban Career Education Center, Philadelphia, Pennsylvania

Don Burroughs, Dade County Schools, Miami, Florida

Jeff E. West, Dade County Schools, Miami, Florida

Bernardo Benes, Washington Federal Savings & Loan, Miami Beach, Florida

Glenda Nelson, Skyline Career Development Center, Dallas, Texas

David M. Nero, Jr., Nero Industries, Inc., Portland, Oregon

Robin Schade, American Management Assn., Inc., New York, New York

Barry Sogotsky, Story House, Inc., Princeton, New Jersey

Pat Landon, RPL Productions, Camden, New Jersey

John N. Johnson, Polly Little Realty, Denver, Colorado

Sister Marie Arthur, St. Joan of Arc School, Philadelphia, Pennsylvania

Lionel Sarrasin, Horseless Carriage, Little Falls, New York

Dorothy Nelson, American Beauty Salon, Philadelphia, Pennsylvania

Stanford Auerbach, Mid Eastern Associates, Philadelphia, Pennsylvania

Stanley Fisher, Mid Eastern Associates, Philadelphia, Pennsylvania

Sam Marritz, Mid Eastern Associates, Philadelphia, Pennsylvania

E. J. Fisher, Consulting Technology, Inc., Philadelphia, Pennsylvania

Joseph Mogar, Electronic Mechanisms, Inc., Philadelphia, Pennsylvania

Robert Williams, Williams Brothers Printing Co., Philadelphia, Pennsylvania

M. Frye, Frye's Oreland Hardware, Oreland, Pennsylvania

W. E. Emmert, E.D.S., Denver, Colorado

Elizabeth Atkinson, Dade County Schools, Miami, Florida

Kendrick Bangs, University of Colorado, Boulder, Colorado

J. Curtis Hall, Virginia Commonwealth University, Richmond, Virginia

Richard Reicherter, Emporia Kansas State College, Emporia, Kansas

Paul H. Steagall, Jr., Madison College, Harrisonburg, Virginia

Z. S. Dickerson, Jr., Madison College, Harrisonburg, Virginia
Martin Salitrin, NW Mental Health Center, Philadelphia, Pennsylvania
Clinton Jim, Navajo Tribe Commerce Dept., Window Rock, Navajo Nation, Arizona
Mary L. Rumbo, San Benito Public Schools, San Benito, Texas
James T. Ogg, Brownsville Public Schools, Brownsville, Texas
N. K. Fitzgerald, Harlingen Public Schools, Harlingen, Texas
James Schultz, Edinburg Public Schools, Edinburg, Texas
Marc Jordan, Promenade Theatre, New York, New York
John Bloom, Lansdowne Vari Composition, Landsdowne, Pennsylvania
Carl Monauni, Ford Motor Corp., Union, New Jersey
Charles Wilborn, U.S. Department of Labor, Philadelphia, Pennsylvania
Brian G. Dailey, Parttime, Inc., Paoli, Pennsylvania
Robert J. Fluehr, HRDI, Philadelphia, Pennsylvania
Philip Basser, Basser Advertising, Inc., Philadelphia, Pennsylvania
Carl A. Brown, ATAC, McLean, Virginia
Florence Aaron, Ability Search, Washington, D.C.
Marge Joseph, MB Associates, Washington, D.C.
David F. Byers, Ki Mi Bonsai Specialists, Madera, California
June L. Banks, Vocational Rehabilitation, Miami, Florida
Charles J. Coyle, Cherry Hill, New Jersey
Bernard H. Shuman, Diversified Electronics Corp., Philadelphia, Pennsylvania
E. Gallaher, CTI, Inc., Philadelphia, Pennsylvania
Pat Greco, G & G Tresco, Philadelphia, Pennsylvania
Gerald Jay Haas, Philadelphia, Pennsylvania
John W. Kinnally, Northrup Page, Vienna, Virginia
Clifford H. Querolo, Board of Cooperative Educational Services, Nassau Co., New York

George Rogers, State Department of Education, Boston, Massachusetts

Samuel O. Rogers, University of Miami, Coral Gables, Florida

Tom Sparks, Philco-Ford Corp., Blue Bell, Pennsylvania

Charles Srebnik, Pohs Levy, New York, New York

Wilford White, Howard University, Washington, D.C.

Nathaniel Widder, University Cleaners, Philadelphia, Pennsylvania

E. Knittel, Sunoco Service Station, Wyndmoor, Pennsylvania

Kenneth Rubin, Philadelphia, Pennsylvania

Renee Weiss, Philadelphia, Pennsylvania

M. Galante, Galante's Market, Philadelphia, Pennsylvania

E. Johnson, McDonalds Family Restaurant, Philadelphia, Pennsylvania

Dayton Todd, Jim Walters Corp., Tampa, Florida

Junior Achievement, New York, New York

Edward Hunt, Beck's on the Boulevard, Philadelphia, Pennsylvania

Tench Frazier, Philadelphia, Pennsylvania

Faye Oliviere, Greater Philadelphia Chamber of Commerce, Philadelphia, Pennsylvania

Michael Whelan, The Gallagher Presidents Report, Inc., New York, New York

Lillian B. Dreyer, NCSBMD, San Francisco, California

Howard University Business & Economic Development Reserarch Center, Washington, D.C.

Joan Bowers, Kinkaid School, Houston, Texas

Joyce Mims, Austin, Texas

Stan Raiff, Youth Education, Inc., New York, New York

Benjamin Krell, Design Fabrication, Edgewater Park, New Jersey

Julian Thompson, Automotive Technical Institute, Philadelphia, Pennsylvania

H. Anderson, CTI Education Products, Charleston, South Carolina

Kathryn Widdop, Brandenbergs Stationers, Maple Glen, Pennsylvania

Walter Knodel, San Diego, California

Franklin D. Kurtz, Central Penn National Bank, Philadelphia, Pennsylvania

Viviene K. Blanc, Carousel, Philadelphia, Pennsylvania

Frank Pollatsek, NCS, New York, New York

Donald Tripolsky, Neighborhood Cleaners Assn., New York, New York

Helen Lally, Sears Roebuck & Company, Philadelphia, Pennsylvania

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Daniel O'Connor, Claymont, Delaware

Leon Ginsberg, West Virginia University, Morgantown, West Virginia

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Jane B. Giese, San Benito Public Schools, San Benito, Texas

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Mildred Jones, Miami-Dade Junior College, Miami, Florida

Carol Waggoner, Dade County Schools, Miami, Florida

Fred Reed, Dade County Schools, Miami, Florida

Marian Warner, Philadelphia Public Schools, Philadelphia, Pennsylvania

Antonio F. Vela, Pan American University,Edinburg, Texas

Eleanor Whomsley, HSI Education Corp., Philadelphia, Pennsylvania

Randal Thomas, University of Houston, Houston, Texas

Dyanne Hines Vela, Weslaco Schools, Weslaco, Texas

Jesse Williams, JW Microelectronics, Philadelphia, Pennsylvania

Ivan Stubbs, Indiana School of Technology, Indiana, Pennsylvania

Avalon Hill Company, Baltimore, Maryland

John Barron, San Benito Public Schools, San Benito, Texas

Luis Rodriquez, Zarolli's Cleaners, Philadelphia, Pennsylvania

Jerry Moss, University of Minnesota, St. Paul, Minnesota

Patsy Smith, Georgia State University, Atlanta, Georgia

A. E. Gabris, Indiana, Pennsylvania

Alice J. Stafford, Philectron, Philadelphia, Pennsylvania

Mod Dairies, Navajo Tribe, Window Rock, Navajo Nation, Arizona

Robert Brownstein, Yellow Cab Corp., Philadelphia, Pennsylvania

Lois Flora, San Benito High School, San Benito, Texas

Sam Evans, Edinburg Public Schools, Edinburg, Texas

B. J. Stamps, Dallas Public Schools, Dallas, Texas

Miller Jordan, San Benito Public Schools, San Benito, Texas

Edward Monzano, Cummings Junior High School, Brownsville, Texas

Simon Rivera, Central Junior High School, Brownsville, Texas

Jesse Benton, Faulk Intermediate School, Brownsville, Texas

Tom Keller, Still Intermediate School, Brownsville, Texas

Kenneth E. Everard, Trenton State College, Trenton, New Jersey

Louis Caceres, Jr., Blue Cross/Blue Shield, Miami, Florida

Dolores S. Cheek, Tates Creek High School, Lexington, Kentucky

Amanda Copeland, State Department of Education, Little Rock, Arkansas

Daniel W. Andrews, Keene High School, Keene, New Hampshire

Leonard Green, London Harness & Cable Corp., Philadelphia, Pennsylvania

Raymond J. Granfield, Delaware State College, Dover, Delaware

Travis Cox, Harlingen, Texas

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Albert Stein, Human Services, Inc., Philadelphia, Pennsylvania

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R. Beardon, Continental Drapery Cleaners, Philadelphia, Pennsylvania

R. White, Denver, Colorado

R. Lees, Philadelphia, Pennsylvania

R. Dugger, Lakewood, Colorado

F. Pollatsek, New York, New York

M. Husted, Margaret's Dress Shop, Guthrie, Oklahoma

L. Dyson, Guthrie Retired Merchants Assn., Guthrie, Oklahoma

J. Ames, LaFeria Style Shop, LaFeria, Texas

M. Griffin, Gramsel Feed & Seed, Harlingen, Texas

S. Sozin, Denver, Colorado

P. Natan, Denver, Colorado

L. Ferguson, Denver, Colorado

J. Dooley, Lakewood, Colorado

M. Sessions, Sessions Hardware, Guthrie, Oklahoma

J. Bales, Oklahoma City, Oklahoma

R. Noran, KHOT, Madera, California

W. Cerroni, Cerroni's Menswear, Madera, California

E. DelBianco, Lucas Restaurant, Madera, California

A. Nixon, Harlingen, Texas

H. Rodriquez, Harlingen, Texas

F. McMillan, School of Dance, Harlingen, Texas

J. Gilbreath, Harlingen, Texas

W. T. Mosely, Harlingen, Texas

M. Schaef, Schaef's Fabrics, Harlingen, Texas
O. Schwab, Schwab's Jewelry, Harlingen, Texas
M. De La Rosa, De La Rosa Drive-In Grocery, San Benito, Texas
V. Garcia, George's Men's Wear, San Benito, Texas
M. R. Garcia, San Benito, Texas
Amelio T. Garcia, Garcia Grocery, San Benito, Texas
D. Smith, National Steel & Shipbuilding, National City, California
B. Hermely, Andrew's Footwear, New York, New York
E. Walker, Atlantic Technical Services, Casselberry, Florida
W. Castleberry, Zebra Associates, New York, New York
Lee Wise Garage, Upland, California
Lovelace Shell Station, Upland, California
Sandy Sanford, Griswold's Restaurant, Claremont, California
James Dack, Northwest Mutual Insurance Co., Claremont, California
Tom Washington, Tom Washington Cleaners, Inc., Miami, Florida
Sonny Wright, Universal Real Estate, Miami, Florida
Garth Reeves, National Industrial Bank, Miami, Florida
Daisy Davis, Dojeda, Inc., Miami, Florida
Serch T.V., Miami, Florida
Jose Bermudez, Master Color T.V. Service, Inc., Miami, Florida
William E. McGee, Pinon Mercantile Company, Holbrook, Arizona
C. F. McGee, Sr., Pinon Mercantile Company, Holbrook, Arizona
Russell N. Griswold, Nazlin Trading Post, Ft. Defiance, Arizona
James B. Collyer, Jr., Mariano Lake Trading Post, Gallup, New Mexico
A. C. Rudeau, Rudeau's Trading Post, Gallup, New Mexico
Francis E. Powell, Dilkon Trading Post, Winslow, Arizona

Raymond D. Carson, Sheep Springs Trading Post, Tohatchi, New Mexico

Judy Van Keuren, Black Mesa Shopping Center, Tuba City, Arizona

George Christian, George Christian Electric, Lake Oswego, Oregon

Hazel G. Hays, Nero Industries, Inc., Portland, Oregon

William V. Spicer, U.S. National Bank of Oregon, Portland, Oregon

Arthur Stonehill, Oregon State University, Corvallis, Oregon

Ruthie Robbins, Marion High School, Marion, Arkansas

Mary Cooper, Booker Junior High School, Little Rock, Arkansas

Brenda Zermatten, Pulaski East Junior High School, Little Rock, Arkansas

Judy Haile, Search Junior High School, Searcy, Arkansas

J. Rocher, Mann Junior High School, Little Rock, Arkansas

Arcel Terry, Mann Junior High School, Little Rock, Arkansas

Carolyn Harper, Joe T. Robinson High School, Little Rock, Arkansas

Wilbur Widicus, Oregon State University, Corvallis, Oregon

Pamela Pruett, Fuller Junior High School, Little Rock, Arkansas

Glynna Condray, Poplar Street Junior High School, North Little Rock, Arkansas

Deb Crawford, Forest Heights Junior High School, Little Rock, Arkansas

Joyce Howerton, Cloverdale Junior High School, Little Rock, Arkansas

Anthonette Akins, Pine Bluff High School, Pine Bluff, Arkansas

Ewilda Matchett, Oak Grove High School, North Little Rock, Arkansas

PROJECT STAFF

Director of Research and Development--Betty L. Cox. Miss Cox is a former project manager for Philco-Ford Corporation and now owns and operates her own research and development company in Philadelphia, Pennsylvania. A graduate of Pan American College, Edinburg, Texas, she received a master's degree in preclinical psychology from North Texas State University, Denton, Texas. She began her career as a junior high school teacher in an area where many of the students were culturally, educationally, and economically deprived. She was later responsible for the psychological testing of a group of Head Start youngsters in a rural school and helped devise and implement individual developmental programs. While employed with Philco-Ford, she served as an instructor on an experimental program with adult hard-core unemployed and developed her own course guides and instructional materials. As manager of curriculum development for a systems company, her special area of interest was the design, development, and conduct of management training seminars on the Navajo Indian reservation.

Research Analyst and Project Consultant--Graham Lewis. Mr. Lewis has been associated in various capacities with disadvantaged and minority groups and is one of the founders of a Miami-based, minority-owned firm. He has worked with the Manpower Administration in several states and served as program director of the Miami Chamber of Commerce JOBS program. He also served as manager of the TRY program for disadvantaged youth in the Bedford-Stuyvesant area of Brooklyn and was at one time associated with the marketing section of Philco-Ford Corporation. He is a political science graduate of the University of Panama in Panama City and has done graduate work in counseling at the University of Oregon, Eugene, Oregon.

BOUTIQUE
BAKERY
SHOES
WAREHOUSE
HARDWARE STORE
DOCTOR
TRADE SCHOOL
BOOKS
JEWELERY

BUSINESS OWNERSHIP & MANAGEMENT

APPENDIX C: CORE CURRICULUM

CAREER EDUCATION CURRICULUM DEVELOPED BY THE NATIONAL BUSINESS EDUCATION ASSOCIATION UNDER A GRANT FROM THE U.S. OFFICE OF EDUCATION, DIVISION OF ADULT VOCATIONAL EDUCATION.

AUTO REPAIR
NEWSSTAND
PLUMBING
MAG Co
BARBER
FARM SUPP
OPTICIAN
GROCERY
Florist

APPENDIX C

CORE CURRICULUM

A NOTE TO THE TEACHER:

This teacher's guide is designed to help meet the challenge of career education. At the seventh, eighth and ninth grade levels, we are seeking to broaden the awareness of young people of the wide variety of careers which are open to them. We are, in effect, building a data bank of knowledge which can be tapped when the time comes for making a career choice.

Making a career choice means that as one life course is selected others are screened out. Not every person is suited to every job any more than every job appeals to every person. The young person begins early in a program of career awareness and exploration to pick and choose among the offerings. All students will not choose ownership and management as a primary career choice. Indeed, it is important that young people assess this and all career choices in terms of their own interests, needs, abilities, and goals. Once this analysis is complete, the student should be able to say realistically, "Yes, this career sounds interesting to me," "No, I am not interested," or "I am not sure. I want to find out more before I make a decision." The teacher has not failed if some of the students do not find ownership and management attractive as a career choice. The students have not failed if they cannot function successfully in the simulated business tasks. They are sampling, trying the careers on for size.

Not all the questions that might be asked about ownership and management are answered in this curriculum module, nor are they intended to be. The best source of information is the business community in your area. Not only will members of the business community be willing to serve as guest speakers, many are also willing to answer questions which a teacher may have about owning or operating a business. After all, most people like to talk about things they enjoy, and most owners and managers enjoy their work.

Need for Curriculum

In a typical American classroom, there are three or four potential business owners. They may be college-bound students studying any of the disciplines from the arts to the sciences. They may also be found in vocational courses: potential hairdressers, technicians of all types, salespersons, printers, or welders. They have backgrounds as varied as the types of businesses they will own.

In 1968, the U.S. Census Bureau listed 9 million proprietorships, 900 thousand partnerships, and 1.5 million corporations, a total of almost 12 million businesses. Most of these businesses are small; a large number of them realize net income of less than $10,000 per year. But large or small, they are a vital part of American life.

The owners of these businesses represent a true cross section of the American population. In education, they range from persons holding Ph.D. degrees to those who never finished high school; in fact, some never got to high school. (This last group represents a sizable proportion--37 percent of business proprietors in 1960.) In background, they range from those who were born into wealth to those who were born into abject poverty. They are not only a part of the urban and suburban population but of the rural and small-town population as well. Three million of them are farmers.

Statistics compiled by Dun and Bradstreet indicate that 34.3 percent of those who go into business fail within the first three years, mostly as a result of lack of preparation for their business ownership roles. An understanding of the requirements, problems, concerns, and techniques of business ownership is as vital to success in this area as it is in any other occupation. Only through formal education can this knowledge be acquired with any degree of certainty, and only in this way can the percentage of failures of new businesses be reduced.

Because of the need to awaken young people to the wide variety of ownership careers available and to create the necessary resource material for this type of education, the Bureau of Adult and Vocational Education of the U.S. Office of Education awarded the National Business Education Association a grant to develop a business ownership and management curriculum to be used at the prevocational and exploratory levels (grades 7-9). The goals of the curriculum are to make the students aware of the problems that business owners must solve, the means available for finding solutions, the demands of business owners, and hopefully, the rewards that come from a job well done.

In developing the curriculum, the project staff has taken into consideration the fact that the students for whom this material is intended have little experience in the adult world. They are limited in what they can absorb and have a limited ability to deal in abstractions. In many cases, they need to be drawn into class participation; they need to find some reality in what they are discussing and dealing with.

In order to fulfill the proper goals, information is conveyed to the student through a combination of teacher, text, and audiovisuals. The audiovisuals--four sound filmstrips--are the principal conveyers of factual information in the course, and these are backed up by ancillary materials. (This reversal in traditional instructional procedure was decided upon because it deemphasizes reading.)

Pre- and posttests, quizzes to go with the filmstrips, and ancillary materials in mathematics and reading have been included. The ancillary materials are designed for use in classes other than the one in which the basic curriculum is presented.

SECTION II

Curriculum Overview

The curriculum for seventh, eighth, and ninth grades has been designed to be covered in 11 consecutive class sessions, each approximately one hour in length. However, if the class period is appreciably less than 60 minutes, the curriculum is sufficiently flexible to be spread over a longer time period.

The lesson plans permit reinforcement of the information presented in the filmstrips. This is particularly important for students with limited vocabulary and mathematics skills.

Filmstrip No. 1, The Business Owner, introduces the student to the possibility of business ownership as a career and briefly touches on the various types of responsibility involved.

Filmstrip No. 2, Marketing, introduces the concept of marketing. It discusses methods of advertising and selling, the rationale behind market research, sales projections and forecasting, and the concepts and principles of regulating inventory. It also deals with pricing, the effects of supply and demand, and the concept of the break-even point.

Filmstrip No. 3, Personnel, outlines the criteria for selecting a work force, assigning tasks, and delegating responsibility. It identifies the types of rewards sought by employees, the major types of compensation, and the criteria for determining such compensation. The filmstrip also reviews the reasons for work rules and policies.

Filmstrip No. 4, Financial Management, explains the concept that every business problem is related to a financial problem. It defines assets and liabilities and how to differentiate between the two. It identifies and explains the most important profit-related ratios and fixed and variable costs. It discusses cost control, monthly cash requirements, budgeting, and projections. It also identifies three money sources and describes how to read a simple balance sheet.

The core curriculum is scheduled for use in the social studies class. However, in order to enhance the depth of learning possible, ancillary materials have been designed for use in other classes.

SECTION III

Using the Guide

The lesson plans in this guide are designed to permit the widest possible spread in usability with groups of students having different abilities. The teacher should keep in mind the specific class with which the materials are to be used in determining the degree to which the lesson plans can be followed exactly. Some classes will be able to go only a limited distance in the amount of material made available. In those instances, the teacher must use his own judgment to determine how far into the materials he will comfortably be able to take the students. Other classes may be able to assimilate all the information made available and still seek more. For these classes, the teacher is urged to encourage the students to delve as deeply as they wish into the ownership and management role.

Speakers from the business community are useful in providing a more complete picture of the career choice under exploration. The inclusion of these community resource persons provides a good opportunity for cooperation between the business and education communities as well as the presentation of a variety of points of view.

There is no requirement that grades be given during the 11-day course of study. However, the teacher should feel free to give those grades he sees fit based on the materials.

While the teacher may deviate from the lesson plans as necessary to meet the needs of a particular student group, the sequence should not be changed. The core and ancillary curriculums are designed so that they are interrelated. Changing sequence in the core curriculum will cause the language and mathematics learning experiences to be out of phase.

Several films have been suggested for use if they are available. Recognizing budgetary limitations of school systems, the project does not suggest the purchase of any films. However, it is suggested that local resource centers and film libraries be contacted to determine if appropriate films are available. In each instance, films should be reviewed prior to classroom use.

The following motion pictures, which can be found in many local film libraries, relate to business management and can be effective teaching aids:

Office Supervisors Problem Series

Bright Young Newcomer
The Follow Through
The Grapevine
How Much Cooperation
In the Middle
Promotion Bypass

Plant Supervisors Problem Series

Delegating Work
Enforcing Rules and Procedures
The Hidden Grievance
The Personnel Problem
Personality Conflict
The Trouble with Women

Modern Management Film Series

Cash on the Barrelhead
The Case of the Missing Magnets
Challenge of Leadership
Listen Please

The Marvelous Mouse Trap

Major Emphases: Ownership as a viable career choice.
Ownership as a multifaceted career.
Ownership as a decision-making career.

CURRICULUM GUIDE

The Business Owner — Business Ownership and Management — Topic I

Objectives	Suggested Materials	Teaching Strategies
Students should be able to:		
1. State the measure(s) of success of any business.	Filmstrip Projector	1. Follow Lesson Plans 1, 2, and 3.
2. Identify by name and function the main subdivisions of responsibility.	Lesson Plans 1, 2 and 3	ADDITIONAL SUGGESTIONS FOR REINFORCEMENT OF CONCEPTS
3. Recognize that the owner has the final responsibility for the business.	Filmstrip No. 1, "The Business Owner"	1. For low-to-average ability students, those with reading problems, etc., concept study sheets and vocabulary study sheets may be given daily. Vocabulary study sheets should be given at the beginning of the hour. The words should be read aloud to the class so that students may begin to add them to their sight vocabulary. Concept sheets should be given out at the conclusion of class.
4. Recognize that the owner should have a working knowledge of a business before becoming an owner.	Vocabulary Study Sheets (optional)	
5. Recognize that the owner should like the business he undertakes.	Concept Study Sheets (optional)	
6. Identify and characterize the three main types of business enterprises.	Ancillary Materials	ADDITIONAL SUGGESTIONS TO EXPAND LEARNING
	Film - "Freedom 2000"	1. Invite the owner of a local small business as guest speaker. As an added means of providing diversity, an attorney, doctor, farmer, etc. can be asked to speak. These careers are not usually identified as being related to ownership of a sole proprietor or partnership nature.
7. Recognize that production is a function of people and their work environment.		
8. Recognize that rules and policies are necessary.		
9. Define and state the purpose of and the limits on goal setting.		2. As homework, students may write about the kind of business that each finds most interesting. A longer project may be developed by having students interview a business owner or manager
10. State the main features of a business plan.		

Objectives	Suggested Materials	Teaching Strategies
		and then write a report. Several basic questions should be asked by students in their interviews, such as: Why did you choose the business you are in? Do you like owning your own business? What was your biggest problem when you started your business? What are some of the major problems in your kind of business? What are some of the things you like best? 3. Selected students may be asked to research laws about setting up a corporation. Others may research the workings of the Securities Exchange Commission. 4. Students may undertake as a class project to "play the market." Each student is given a certain dollar amount of credit ($1,000, $2,000, $5,000, etc.) and asked to "spend" his investment credit on stock that he selects from the market listings in the newspaper. The students must then follow their stocks in the newspapers for two weeks, buying and selling at will but maintaining a record of each transaction and its costs and fees. At the conclusion of the two-week period (a longer period could be utilized if desired), the student with the greatest asset value wins. Other winner categories may include the person who held the stock that increased the most, etc.

Evaluation: While tests may be used if desired, it is suggested that discussion is a better means of determining the level of understanding of the concepts offered.

Major Emphases: Marketing as a facet of business.
Marketing as more than just selling a product.

CURRICULUM GUIDE

Marketing — Business Ownership and Management — Topic II

Objectives	Suggested Materials	Teaching Strategies
Students should be able to:		
1. Describe the functions of marketing in a business.	Filmstrip Projector	1. Follow Lesson Plans 4 and 5.
2. Identify three ways of selling a product or service.	Lesson Plans 4 and 5	ADDITIONAL SUGGESTIONS FOR REINFORCEMENT OF CONCEPTS
3. Identify four ways to advertise a product or service.	Filmstrip No. 2, "Marketing"	1. Begin a discussion on how some of the students earn money. Some may have gone from door-to-door asking to mow lawns, sell papers, etc. Point out that this action involves both the act of selling (by selling services) and the broader act of marketing. The decision to sell something (his ability to mow lawns, baby-sit, etc.) and the process of selling the service (door-to-door sales, word-of-mouth advertising) constituted the marketing part of the "business." Lead into a discussion of how companies decide when, where, and how to advertise.
4. State two common uses of a sales projection.	Vocabulary Study Sheets (optional)	
5. Describe the purpose of forecasting market trends.	Concept Study Sheets (optional)	
6. Describe in simple terms the major effect of the market on price.	Ancillary Materials	
	Game - "Dealer's Choice"	
7. Identify and describe the elements used to create a price.	Trade Journals	
8. Describe how a break-even point is determined.	Magazine or Car Dealer Advertisement Stating "Body by Fisher"	2. To illustrate the difference between advertising and selling, have students select newspaper and magazine ads and bring them in. Ask them to look for those things which are most eye-catching and to identify the best selling points of the product or service. Select several ads to display, and talk about why they are good or bad.
9. Given appropriate information (cost and income), determine if sales are profitable, breaking even or at a loss.		
10. State two basic rules for establishing an inventory level.		

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Objectives	Suggested Materials	Teaching Strategies
		Ask students if they would like to buy the product or service advertised. If they would, the advertising has accomplished part of its goal. Keep a tally of how many think they want each item. Compare. Then ask how many actual sales took place in class. The answer, of course, is none. No one actually bought the product. Advertising is a means of trying to sell the product. 3. To illustrate inventory, have the students list the furnishings in the classroom. Have them analyze the inventory on the basis of need. Are there too many of an item (student desks, etc.)? Discuss how many students the class is designed to serve (based on past experience). Explain that a business often uses past experience as a basis to project or estimate what it will sell in the coming year. Explain that other things are considered in making the sales projection or estimate of the number of sales the company expects to make. Some of these are whether people are spending freely or if money is tight; selling price compared to other brands; whether the need for the product is increasing, decreasing, or remaining static. To explain changing inventory needs according to sales projections, changing class sizes may be used for an example. If the school projects 100 classes of 35 students each, they will need 3,500 chairs. If fewer students arrive, the inventory is too large; if more students come, the inventory is too

Objectives	Suggested Materials	Teaching Strategies
		small. The school then needs to make adjustments. 4. One of the clearest explanations of the need to forecast market trends is the example of what happened to the buggy manufacturer with the advent of the automobile. An example of a buggy manufacturer who recognized the market trend was Fisher. He turned his firm to the making of auto bodies. (Although the company was eventually absorbed by General Motors, the name "Fisher" still appears in advertising of General Motors cars, "Body by Fisher." 5. To illustrate the cost of advertising, have students ask local radio and television stations, newspapers, and magazines (if any) for advertising rates. Have selected students write to major magazines, newspapers, and television stations in other areas to compare rates. City students should ask small rural papers for their rates. When responses come in, point out that circulation (or number of persons reached) helps to determine rates. ADDITIONAL APPROACHES FOR USE WITH MORE ADVANCED STUDENTS 1. Give students a list of five fictitious products or services (or let them select their own) and have them get together in small groups to plan advertising campaigns. The campaign plan should show where the

Objectives	Suggested Materials	Teaching Strategies
		ads will be placed, how many times in a three-month period, and how much the total campaign will cost. 2. Have students, as a group, make a 12-month sales projection for a seasonal item such as swimwear or Christmas toys. Using the sales projection, have students identify when employees must be hired, production set up, and delivery made.

Major Emphases: Personnel management as a vital function of business.
Personnel management as a decision-making function.

CURRICULUM GUIDE

Personnel Management | Business Ownership and Management | Topic III

Objectives	Suggested Materials	Teaching Strategies
Students should be able to: 1. Recognize that production is a function of people and their work environment. 2. Recognize that rules and policies are necessary. 3. State the major criteria for selecting a work force. 4. Recognize that assignments must be based on the strengths and weaknesses of both the owner and the person to whom work is being assigned. 5. Identify the principal rewards sought by employees. 6. Identify and describe the major types of compensation (wages, salary, commission, benefits). 7. State the major criteria for determining employee compensation. 8. State the criteria for determining if a task can be delegated and to whom. 9. Recognize the basic rules for, and limits to, delegation of responsibility and authority.	Filmstrip Projector Filmstrip No. 3, "Personnel Management" Lesson Plans 6 and 7 Case Studies Sample Application Vocabulary Study Sheets (optional) Concept Study Sheets (optional) **Ancillary Materials** Film - "Cash on the Barrelhead" Film Series - Office Supervisor, Management Training Teletrainer (available from the telephone company)	1. Follow Lesson Plans 6 and 7. ADDITIONAL SUGGESTIONS FOR REINFORCEMENT OF CONCEPTS 1. Open a discussion on how students function in school. If the day is hot and the classroom steamy, how good is their work? If the student isn't feeling well, how is his work affected? What effect does worry have? Point out that the way we feel often determines how productive we are. 2. Lead the discussion to include what makes us want to do things. Some points to consider are: the way in which we are asked/told to do a thing; the way we feel about the person giving directions; how we feel about the job itself. The students should begin to recognize that how people relate to one another affects their ability to work together. They should also begin to realize effective communication among people is extremely important in getting a job done. 3. Open a discussion about the kind of jobs and tasks the students have done (including household chores). Get them to compare jobs they like with ones they don't like. Draw them to conclude that

Objectives	Suggested Materials	Teaching Strategies
		different people are happy at different jobs. Lead them also to the conclusion that some jobs make people so unhappy that even a great deal of money doesn't make it worthwhile.
		4. If available, the film "Cash on the Barrelhead" gives a good explanation of fringe benefits. The film is not a recent one, so the cost figures are low but the concepts are valid.
		5. Bring in the help-wanted section of a local paper. Discuss some of the jobs that are available. With advanced students, a research project can include finding out what tasks are entailed in several different jobs listed. Have each student select one job. Pass out employment applications. Go over each of the questions on the application and help the students fill them out.
		6. Using the help-wanted ads, the completed applications, and a teletrainer, the students can simulate calls to make appointments for job interviews. Place one student outside the classroom with a telephone instrument. Have him "call" another student inside the room on the other telephone instrument and request an appointment for an interview.
		7. A follow-up exercise is to role-play interviews. Perhaps it may be possible for a personnel manager to speak to the class and role-play some interviews.

Objectives	Suggested Materials	Teaching Strategies
		ADDITIONAL APPROACHES FOR USE WITH MORE ADVANCED STUDENTS 1. Films in "The Office Supervisor" series are short (7 or 8 minutes average in length). They deal with typical human relations problems that a supervisor faces. The films are dramatized case studies that are open-ended for discussion. 2. Case studies may be used with more advanced students. Students may discuss their responses, or role-playing may be utilized in finding alternative solutions. Students should come to recognize that human relations problems are not always easy to solve. Sometimes the solution is a continuing one, such as continuing to give praise to a worker who needs an extra share of it.

Major Emphases: Financial Management as a function of business ownership and management.
Financial Management as an assessment of business success.

CURRICULUM GUIDE

Financial Management | Business Ownership and Management | Topic IV

Objectives	Suggested Materials	Teaching Strategies
Students should be able to: 1. Recognize that many business problems are related to financial problems. 2. Recognize assets. 3. Recognize liabilities. 4. State the criteria for differentiating between assets and liabilities. 5. Describe how the net worth of a company is computed. 6. Recognize fixed and variable costs. 7. State the criteria for discriminating between fixed and variable costs. 8. Identify which of these two cost categories can be used to control cost. 9. Describe how the cash requirement for a month is determined. 10. Given a simple budget, make a cash projection for a month. 11. Identify three sources of money for a business.	Filmstrip Projector Filmstrip No. 4, "Financial Management" Lesson Plans 8 and 9 Concept Study Sheets (optional) Vocabulary Study Sheets (optional) **Ancillary Materials** Game - "Stock Market" Game - "Dealer's Choice" Game - "Business Strategy"	It is anticipated that the concepts presented in Financial Management will be the most difficult for students. They will require more reinforcement by methods other than the use of the filmstrip. 1. Follow Lesson Plans 8 and 9. ADDITIONAL SUGGESTIONS FOR REINFORCEMENT OF CONCEPTS 1. Lead a group discussion on borrowing money. An example may be a young person who has spent his allowance but needs money to buy something he wants very much. Use as an example something that is very popular for the age group. Fix a price of about $12. Perhaps the desired item is a three-record set recorded by a popular group, a $15 value for $12. The youngster has $5 saved and must borrow the remaining amount. Illustrate: (1) the amount still required to complete the purchase; (2) how a loan may be made that requires security, giving examples; (3) how much is paid back with interest (choose the prevalent bank rates); (4) how long it will take to pay back. Point out to those who suggest paying back in installments that equal total allowance that they will be without money for other needs.

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Objectives	Suggested Materials	Teaching Strategies
		2. From the discussion of loans on a small scale, move to large-scale business loans. Demonstrate the amount of interest due monthly on large loans of $20,000, $100,000, $500,000, or $1 million at an interest rate of 6-1/2%, 8%, and 12%. This will illustrate the importance of borrowing only the amount needed, since the money must be paid back with interest. The businessman must put up some kind of security as well. He may put up equipment or buildings if the business owns any. He may use as security amounts owed by his customers, if the bank will accept them. 3. Once students begin to understand the importance of borrowing only that which is needed, they are ready to learn how to determine cash needs. Ask the students to identify the costs that a typical business experiences every month (salaries, rent, office supplies, telephone, utilities, manufacturing supplies, equipment rented or leased, postage). 4. Arbitrary amounts may be assumed for these categories for a one-month period. Have students identify those fixed costs that stay the same from month to month (rent, equipment rental or lease). Show two or three months in a row, having students give the amounts to fill in for each category. Ask students how they can determine the cash needs for each month. In talking about each cost category, discuss how the manager can control or change costs. How can salary amount become greater or smaller than for the previous month?

Objectives	Suggested Materials	Teaching Strategies
		How can utility costs be changed, etc.?
		5. To differentiate between fixed and variable costs, the first step will be to define the words. "Variable" is used in many other ways than in conjunction with business costs. Used in examples such as variable costs or variable moods, the word should become more meaningful.
		6. Make two columns on the chalkboard. Title one, *assets*; the other, *liabilities*. Name various items and ask students to define them and say whether each is an asset or liability: cash on hand, accounts payable, accounts receivable, buildings and equipment, equipment lease, taxes owed, and long-term notes.
		7. For the Financial Management section, vocabulary study sheets and concept sheets may be used. Vocabulary study sheets should be handed out and reviewed at the beginning of the hour.

LESSON PLANS

SUBJECT: Ownership and Management Core Curriculum

MAJOR EMPHASIS: Ownership as a viable career choice.

OBJECTIVE: To understand the concept of business ownership as a career choice and to recognize problems and rewards involved in owning a business.

GENERALIZATION: Ownership can grow out of many different kinds of interests.

REQUIRED MATERIALS: List of occupations described in Step I.

TEACHING STRATEGIES:

I. Preliminary Preparation

On the day preceding the start of the curriculum module, ask the students to list on a sheet of paper three possible career choices for themselves. The students may be asked to put their names on their papers or not, at the teacher's discretion.

Before class on the first day of the curriculum module, make a list of the different career choices. There will probably be considerable overlap, with stress on a certain limited number of occupational areas such as medicine, law, teaching, etc.

Show the students that in almost every career field there is a management and ownership level. In education, for example, there are principals, superintendents, owners of private schools, deans, college presidents and vice-presidents and so on. Most doctors and dentists are small business owners because they hire people to work for them and because they are paid for a service instead of receiving a salary. When people pay a doctor's fee, they are helping pay for his office space, his staff, his own salary, his telephone bill, his lights and water, and in fact, all the costs of his being a doctor. Sometimes the career choice may seem to have nothing to do with business, and yet it leads to either management or ownership or both.

II. Introduction to Business Ownership Curriculum

1. Discuss with members of the class persons they know who are business owners:

    a. Parents
    b. Relatives
    c. Friends
    d. Business people in neighborhood adjacent to the school.

2. Point out the variety of businesses ownership entails.

3. Ask members of the class how their current interests and hobbies may be developed into profitable businesses:
    a. Cars -- used car lot, garage owner, mechanic, etc.
    b. Fashion -- dress designer, clothing manufacturer, model agency, etc.
    c. Animals -- veterinarian, animal breeder, professional handler at dog or cat shows, boarding kennel owner, etc.

4. In discussion, bring out the concept that members of the class are not so far from making career decisions. However, emphasize that some students will change their minds many times before making a final choice.

5. Bring out that many members of the class already work:
    a. baby-sitting
    b. paper routes or stands
    c. odd jobs -- running errands, washing cars, mowing lawns

6. Point out that many people start businesses in their teens and early twenties.

III. Assign homework and discuss.

Homework -- ask students to make a list of 10 small businesses that they know about. Have them list what they think is probably the most interesting part of each business they included.

APPLICATION: Assess one's own interest in terms of potential ownership or management.

EVALUATION: Discuss the kinds of things which may lead to ownership.

SUBJECT: Ownership and Management Core Curriculum

MAJOR EMPHASIS: Ownership as a multifaceted career.

OBJECTIVE: To understand the concept of business ownership as a career choice and to recognize the problems and rewards involved in owning a business.

GENERALIZATION: Diversified skills are needed by a business owner.

REQUIRED MATERIALS: Filmstrip #1, "The Business Owner"
(Optional) Vocabulary Study Sheet #1
(Optional) Concept Study Sheet #1

TEACHING STRATEGIES:

I. Review homework briefly. Compare choices and compile a master list of all the different businesses listed in the homework. (Add to this list after the film and discussion.) Display the master list so that students can add to it throughout the business ownership curriculum. Poster board and rolls of newsprint are good for prominent display of information.

II. Vocabulary

These are words that appear in the filmstrip that may be unfamiliar to students. Introduce them to the class before showing the filmstrip.

profit, personnel, marketing, financial, operations, responsibility, sole proprietorship, partnership, corporation, policy.

III. Show filmstrip, "The Business Owner."

IV. Follow-up discussion: questions and possible discussion topics.

1. How can you tell when a business is successful?

   A. When it is making a profit, or growing, or both.

2. What is profit?

   A. The money that is left over after all expenses are paid.

3. What is meant when someone says, "That business is growing"?

   A. It means that a business owner is using profit or borrowed or invested money to help the business grow bigger. This might mean bigger buildings, more inventory, more employees, or different product lines.

4. What are some of the main departments into which a business is usually organized?

   A. Personnel, marketing, financial management, and operations.

5. What does each of these departments do?

   A. Personnel is responsible for hiring and releasing people and takes care of their problems relating to the job.

   Marketing advertises and sells the products of a business. It also researches needs and suggests new products that may be developed.

   The financial department oversees all the money matters of a business.

   Operations is concerned with the actual making of a company's product or providing its service.

6. Who has the final responsibility for making sure the business is successful?

   A. The owner or manager.

7. What may happen if the owner doesn't take this responsibility?

8. Why should an owner know something about a business before he goes into it?

9. Why should an owner like a business that he goes into?

10. What three forms of ownership can a business take?

11. What are the differences among these forms?

    A. Sole proprietorship - owned by one person. The owner has all the benefits and problems himself, few government regulations, personal liability for all debts.

    Partnership - owned by two or more people. Few government regulations, personal liability for all owners, all partners must agree before a decision can be reached.

    Corporation - owned by stockholders. Run by a board of directors, much governmental regulation, no personal liability for stockholders.

12. What can happen to your business if you hire someone and don't have enough work for the new employee?

    A. You waste money because you are paying someone who isn't producing any work. That money could be used for something else or could be profit. You are also likely to have an unhappy employee.

13. What can happen if you buy or rent a building bigger than you need for your business?

    A. You waste money because you are paying for space you aren't using.

14. Why must a business owner make rules and set policies?

    A. So that all employees know what is expected of them and what they can expect from the business. If the owner doesn't make the rules, everyone may do as he or she pleases; this would not benefit the business.

15. What are business goals?

    A. Goals are a list of things that an owner wants the business to accomplish, such as, expand, make a certain profit, create a new product or service.

16. Why do business people set goals?

    A. They can use them as guidelines in planning business activities and assessing the progress the business is making.

17. Would opening one small gas station and expecting to be able to open 40 more in the next year be a realistic goal? Why?

    A. No, because your business probably won't grow that fast. Opening one other in a year or two might be a realistic goal.

18. If you are making a plan for your business, what kind of things do you put in it?

    A. What you want to accomplish, how you are going to accomplish it, and by what dates.

19. If you need money for your business, where can you get it?

    A. A bank, a private investor, and/or the SBA.

20. The following discussion material may be used to broaden the students' understanding of the diversified skills needed by a business owner:

    a. Get the students to discuss their current interest and aptitudes.

    b. Ask them what business they might open in light of what they know and like at this time.

    c. Ask them to discuss why they chose that business, i.e., veterinarian - likes to work with animals; mechanic - likes to work with cars; nurses registry - likes to work with people.

    d. Expand discussion so that students begin to bring out some of the other skills necessary; i.e., veterinarians work with animal owners as much as with animals. Would the students like that? Why or why not? Nurses registry has to work with scheduling and fees. What skills are required? Would the students like that?

e. Utilize this to broaden the students' realization of what is involved in various businesses and the problems and advantages of each situation.

21. Throughout the curriculum emphasize that most students change their minds many times before deciding on a career.

APPLICATION: Begin to assess the factors involved in ownership and management in terms of one's own personality.

EVALUATION: Discuss the responsibilities of and the skills needed by a business owner.

SUBJECT: Ownership and Management Core Curriculum

MAJOR EMPHASIS: Ownership as a decision-making career.

OBJECTIVE: To make decisions based on typical business problems.

GENERALIZATION: Before a business owner makes a decision, there are several things that must be considered.

REQUIRED MATERIAL: Scratch paper and pencils.

TEACHING STRATEGIES:

I. Introduction

1. Ask students who makes decisions in operating a business.

2. Ask who makes the final decisions about important matters.

    A. The owner. In the case of a corporation, the officer designated by the board of directors as chief executive officer.

3. Ask whether a $4,000 to $6,000 expenditure is an important decision.

    A. Yes, in most small businesses.

4. Have students imagine a small business that has an owner who is the general manager, another person who is manager of operations and marketing, and a third person who is manager of personnel and finance. Which manager should decide whether or not money should be spent to buy a new delivery truck? Why?

    A. The operations manager would be the person who should know best if the truck is really needed. The financial manager would know what money was available. They should discuss it with the general manager. He makes the final decision.

5. Ask the students to discuss the kinds of questions they might ask if they had to make a decision about buying a new delivery truck. Some of the questions should include:

    a. Does the company really need a new truck?
    b. Why is the truck needed and can the need be met another way?
    c. How much would a new truck cost?
    d. Can the company afford to pay cash for the truck?
    e. If it cannot, how much could it pay down?
    f. Can the company borrow the money? How much interest will the company have to pay?
    g. Can the company afford to make the monthly payments?

II. Present the following problem to the class a step at a time. Help the students with the math necessary to make their decisions. Explain new words as required.

A. Ace Inc. is a company that assembles metal chairs. The company is located in an industrial park. The building contains 5,250 square feet. The rent is $2.50 per square foot per year. How much is the total rent for one year? (ans. $13,125) How much is the rent per month? (ans. $1,093.75)

B. When you are determining the cost of renting space, you must include the cost of utilities (lights, water, refuse removal, etc.) Ace Inc. pays an average of $1.25 per square foot per year for utilities. How much is the total per year? (ans. $6,562.50) How much is the total per month? (ans. $546.88)

C. What is the total monthly cost of the space rental and utilities cost? (ans. $1,640.63)

D. Out of the 5,250 square feet, 2,250 square feet are used for storage, shipping and receiving, offices, and reception area. How many square feet does that leave for production? (ans. 3,000)

E. The average amount of space needed for one production worker and the equipment he works on plus aisle space is 50 square feet. Ace runs one shift per day. How many production workers does Ace Inc. have if all the production space is in use? (ans. 60)

F. Ace Inc. assembles chair parts at a rate of 4,800 units per week. What is the average output per production worker? (ans. 80)

G. Currently Ace Inc. has orders totally 120,000 units to be delivered over the next 25 weeks. The company is presently working at capacity to fill the existing orders. A salesman comes in with a new order. This is the biggest order the company has ever had. The order is for 120,000 units. Delivery is to start in 4 weeks and the order is to be completed at the end of 28 weeks. (Note: This allows 3 weeks for setting up. Chairs are to be shipped weekly.) How many additional production workers will be needed to meet the order? (ans. 60)

H. All of the space and equipment is in use every day from 7 A.M. to 3:30 A.M. The company has three choices in handling the new order:

1. It can turn down the order.
2. It can rent additional space and buy new equipment.
3. It can run a second shift from 4P.M. to 11:30 P.M. in the space it now has, using the equipment it now has.

What will happen if the company chooses option #1 and turns down the order? (ans. It will not make the money it would have, of course, but more importantly, it risks losing the new customer forever instead of just this order. It will also discourage salesmen from trying to make new sales.)

I. Before the company makes a decision, there are several things that must be considered. One of these is the comparative costs of the different options. Option #1 would not cost any money, but the company would not make any money either. Option #2 would have some costs involved.

1. How much additional space would be needed? (ans. 3,000 sq. ft.)
2. If the space could be found at $2.50 a square foot, how much would the additional space cost? (Note: Don't forget the cost of utilities) (ans. $7,500 rent plus $3,750 utilities equals a total of $11,250 per year)
3. Industrial space is usually leased for one or more years. If the Ace company has to lease space for one year, how many weeks will it not be in use? (Note: If the orders continue above the one shift capacity, the space would be used.)
4. The cost of new equipment might add up to several hundred thousand dollars. Should the company spend that much money on the strength of one large order.

J. Option #3 also has some costs. The average salary paid for production workers at Act Inc. is $2.50 an hour for the day shift. The people who work on the night shift make 10 percent more.

1. What would a day worker make per week (40 hours)? (ans. $100)
2. What would the production payroll cost per week be for 60 day workers? (ans. $6,000)
3. If the night shift makes 10 percent more, the average salary is $2.75. What would the night shift payroll cost per week be? (ans. $6,600)
4. How much more money per week will it cost to hire 60 people on a night shift? (ans. $600 a week)

K. Which option is the best for the company?

1. Which option costs the most money? (#2)
2. Which option allows the company to most easily end its additional cost when the order is filled? (#3)
3. Which option can be continued if enough orders come in? (#2 and #3) #3 is the better option because a partial night shift of production workers can be used if the volume of orders is above a one-shift capacity, but not more than the capacity for the two shifts.

APPLICATION: Begin to apply decision making skills.

EVALUATION: Make decisions and to give reasons for those decisions.

Lesson Plan 4

SUBJECT: Ownership and Management Core Curriculum

MAJOR EMPHASIS: Marketing as a facet of business.

OBJECTIVE: To recognize the basic concerns of a marketing department.

GENERALIZATION: Marketing is an important function within a business.

REQUIRED MATERIAL: Filmstrip #2 "Marketing"
(Optional) Vocabulary Study Sheet #2
(Optional) Concept Study Sheet #2

TEACHING STRATEGIES:

I. Introduction

1. Ask students what they think of when they hear the word marketing.

2. Explain that in business the word is used to talk about everything concerned with selling a product.

3. Ask students if they ever go shopping, with or without parents.

4. Ask students why they like to go to a particular store. Why do they go to one store instead of another?

5. Develop discussion around what things go into making a store one you prefer to shop in:

   a. Cheerful people
   b. Cleanliness
   c. Convenient to get to
   d. Reasonable prices
   e. Has products you want (Discuss how the store owner knows what products people want and when they will want them.)

II. Vocabulary

The following are words that appear in the filmstrip and may be unfamiliar to students. Introduce them to the class before showing the filmstrip.

projection, forecast, marketing, market research, distributors, trade (in the sense of a career field), material, labor, fringe benefits, break-even point, equipment, inventory.

III. Show filmstrip, "Marketing"

IV. Reinforce the vocabulary. Discuss briefly the differences between marketing, advertising, and selling.

APPLICATION: Begin to assess each of the functions of business in terms of one's own personality.

EVALUATION: Discuss marketing as more than just selling a product.

SUBJECT: Ownership and Management Core Curriculum

MAJOR EMPHASIS: Business as a multifaceted whole.

OBJECTIVE: To integrate the concept of "marketing" with those concepts previously presented in the curriculum.

GENERALIZATION: The functions of marketing are essential to growth of a business.

REQUIRED MATERIALS: Blank paper or notebook paper, colored pencils, pencils, rulers.

TEACHING STRATEGIES:

I. Follow-up discussion: Questions and possible discussion topics on filmstrip, "Marketing." Allow approximately 1/3 to 1/2 of the class hour, leaving the remainder for Part II.

1. What are some of the things included in marketing?

   A. Advertising, selling, market research, sales projection, product development, and pricing.

2. What are three ways of selling a product or service?

   A. Direct selling, selling by mail, and selling by distributors.

3. What is direct selling?

   A. Coming face to face with the customer and utilizing personal contact in sales techniques. Examples are car salesmen, department store sales people, door to door salespeople.

4. What is selling by mail?

   A. Sending out catalogs, brochures, lists, or folders to various people to tell them about your product. Often these include return mail order forms.

5. What is selling by distributors?

   A. This is letting a free-lance salesman take your product (perhaps along with other peoples' products) and sell it. It may also include letting a particular store act as a sales agent.

6. What are four ways of advertising a product or service?

   A. Radio or TV, newspapers and magazines, trade shows or conventions, trade journals.

7. What is a trade show?

   A. It is a large meeting of people in the same business or profession, such as educators, people in electronics, doctors, etc., where they discuss common problems and display new developments or products in their field.

8. What are trade journals?

   A. Trade journals are magazines which discuss matters and advertise products or services of interest to people in allied or closely related professions or businesses.

9. What is a sales projection or forecast?

   A. It is an estimate of how much a business is likely to sell and when.

10. How can a sales projection be used?

   A. It is used to plan for purchases, materials, allocation of personnel, and allocation of space.

11. Why do business owners try to forecast what people will buy?

   A. A market forecast tells what public demand is likely to be so that businesses will know what kinds of things to produce. It gives an indication of when to modify existing product lines or develop new ones.

12. If you are the owner of the only drug store in the neighborhood, how does this affect how much you charge for things? Why? If three more drug stores open up in your neighborhood, how will this affect how much you can charge for things? Why?

   A. If you are the only druggist, you may be able to charge more than normal for things because people have no other place to go to get what you sell. If more drug stores open near your business, you will have to charge the same or less than they do to attract people to your store.

13. What are some things you must consider when deciding what to charge for a product you make?

   A. Direct costs: material, labor, fringe benefits.

   Indirect costs: buildings, machinery, equipment, utilities, salaries of employees not involved in producing the product, advertising, and marketing.

14. Identify and discuss the following items that affect the price of a product.

   A. Material: this is the raw material that goes into making an item; e.g., for an automobile some materials are sheet metal, screws, glass, wire, upholstery, etc.

Labor: wages of people directly involved in manufacturing a product.

Fringe benefits: payments such as vacation pay, insurance, etc, made to employees who work directly in making the product.

Building costs: rent or martgage payments on buildings used by the business.

Machinery costs: payments on any machinery used by the business.

Equipment: things such as tables, chairs, file cabinets, storage cabinets, etc. used by the business.

Utilities: electricity, gas, water, etc.

Overhead salaries and benefits: salaries and benefits paid to employees not directly involved in making a product, i.e., secretaries, presidents, receptionists, accountants.

Advertising cost: the cost of advertising a product.

Marketing cost: the cost of selling a product.

15. What is a break-even point?

    A. The point at which a business sells enough to get back what it spent in making a product.

16. Tell from each of these charts whether the company is losing money, breaking even, or making a profit.

Co. ABC	
Products Sold	$100.
Money Spent	- 100.
Profit (Loss)	$ 0

Co. XYZ	
Products Sold	$100.
Money Spent	- 75.
Profit (Loss)	$ 25.

Co. DEF	
Products Sold	$100.
Money Spent	- 110.
Profit (Loss)	($ 10.)

17. What must a business owner remember when buying inventory?

    A. Don't buy too much, but don't buy too little. Try to judge needs exactly.

18. Why must an owner remember these things?

    A. With too much inventory that doesn't move, an owner has his money tied up where he can't get to it. If he has too little inventory, people may stop coming to him because they think he doesn't have what they need.

II. Exploring marketing creatively. List five or more kinds of businesses on the chalkboard: corner grocery, dry cleaners, florist, record shop, funeral home, department store, trade and technical school, garage, new car dealership, art gallery, hospital and medical supply, restaurant, and the like.

Explain that the students will work in small groups to design a minimum of one advertisement. Discuss the points an advertiser would need to know before designing an ad.

1. Advertising is a continuing process with a goal in mind. The goal, typically, is to associate the product or service with the business you are advertising. A second goal may be to build an image of the business.

   Within the advertising campaign, there can be special goals:

   a. to sell a particular product
   b. to increase sales during a slack period
   c. to sell out a product that the business has too much of
   d. to change buying or usage habits

   Therefore, advertising must fit in with long-term company goals and may or may not satisfy a short-term goal.

2. The kind of business, to a certain extent, influences the kind of advertising and the media to be used. For example, a store that serves only those within a small community or neighborhood would have no use for television advertising. The kind of business also helps indicate the image the ad must convey.

3. The advertiser must understand the nature of his market before he designs an ad. He must know the following about his market: age, sex, marital status, and buying habits. For instance, if his market is made up of senior citizens, he would not use slang words in his advertising campaign. Knowing his market also means he must know where his market is. If his product or service is used primarily by young married couples, he must make his business accessible to that group.

4. Some businesses have selling cycles. Dry cleaners have a heavier season from October to May. Florists do better around holidays, in particular, Mother's Day. The time of the year also influences how much spending goes on. Bigger sales are made before Christmas than after in most retail businesses.

5. The selection of the advertising media to be used is based on several factors:

   a. the size of the market
   b. the geographic location of the market (a florist would advertise locally: hand bills, yellow pages, local newspaper)

c. the age group (for example, one radio station usually caters to the teenage market; another will cater to adults. The selection of the station on which to run ads would be dependent upon the age group which the advertiser wants to reach.)

6. The format selected for the ad must be consistent with the image to be projected. The students should be reminded that an image doesn't have to be a prestigious one. The ad should be concise. There are two basic reasons for brevity. One is that people either will be attracted within the first second or two of the ad or not at all. The second is that space and time cost money. The more space or time used, the higher the cost. The format must permit the advertiser to speak to his market, that is, to use the vernacular of that age group; to use symbols that mean something to the target population; to use color (if appropriate) in a way that has meaning, by being soothing or exciting or dignified; to use sound (if appropriate) to attract attention, to set a mood or tone, to convey information.

Divide the class into groups. No group should be made up of more than four persons. Assign each group to do the following:

a. Select one type of business.

b. Name the business and decide on the market it serves.

c. Determine what media would be most appropriate for that business's advertising.

d. Design the ad or ads.

e. Be prepared to explain the ad designed.

When the group has finished, ask several to display and discuss their ads.

NOTE: The ads may be for newspaper, magazine, trade journal, hand bills, radio, television, billboards, and so on.

APPLICATION: Begin to recognize areas of business as a career choice for one's own needs.

EVALUATION: Explore "marketing" creatively.

Lesson Plan 6

SUBJECT: Ownership and Management Core Curriculum

MAJOR EMPHASIS: Personnel management as a vital function of business.

OBJECTIVE: To recognize the basic principles of sound personnel management.

GENERALIZATION: Personnel management entails a knowledge of company requirements, job conditions, and employee personalities.

REQUIRED MATERIALS: Filmstrip #3 "Personnel"
(Optional) Vocabulary Study Sheet #3
(Optional) Concept Study Sheet #3

TEACHING STRATEGIES:

I. Introduction

1. Discuss with class why people work. Most will say for money. Try to point out that some work for personal gratification, pride, status, etc. (some older people work even after retirement), some for special benefits (e.g., airline employees for flight privileges).

2. Ask students if they know anyone who dislikes his or her work. Give reasons. Ask if they know people who like their work. Why do they? Ask if anyone in class has ever worked and why he did or didn't like his job.

3. List pro and con reasons on board and discuss.

4. Ask students why they think employers hire people. When they answer, "To work," ask if it is important to an employer that employees are happy. Bring out: happy employees work better, lose less time, and don't leave or get themselves fired so often. Point out the benefits to the boss. (To search for, hire and train a new employee is a costly thing for an employer. It is to his benefit to try to retain his employees.)

II. Vocabulary

The following words that appear in the filmstrip and may be unfamiliar to students. Introduce them to the class before showing the filmstrip.

employer, employee, benefits, personnel, wages, salary, commission, piecework.

III. Show filmstrip, "Personnel"

IV. Questions for review and discussion of filmstrip, "Personnel"

1. Why do employers hire people?

A. To do jobs that the employer doesn't have time or is not qualified to do, or perhaps is uncomfortable doing. Work load too heavy for employer or current staff.

2. Why are work rules and policies necessary?

   A. If you don't have them, everyone can do as he pleases and the business may suffer. The employees don't know what their rights and responsibilities are.

3. When an owner is hiring employees, what must he try to do?

   A. He must try to get the best qualified person he can for the amount of money he is able to pay.

4. Suppose you own a beauty shop and are doing manicures, setting hair, and running the cash register. You have too much to do and want to hire another employee to help you out. Your best talents are setting hair and working the cash register. What kind of qualifications do you look for in an employee? Why?

   A. Someone who is good at manicures, because this is the area in which you are weakest.

5. Suppose you own an automobile repair shop and do all of the work yourself. You are good at all of the jobs, but a little better at mechanics than body work. You need help with body work or mechanics so that you can spend more time at bookkeeping. A man who has good recommendations and ten years' experience as a mechanic applies for a job. Do you assign him to do body work or as a mechanic? Why?

   A. As a mechanic. Although you are good at mechanics, this man is also very good and it makes sense to place him where his talents lie.

APPLICATION: Integrate personnel management into the assessment of career choices for one's own personal requirements.

EVALUATION: Discuss personnel management as an important part of business management and understand the reasons why people work.

SUBJECT: Ownership and Management Core Curriculum

MAJOR EMPHASIS: Personnel management as a decision-making function.

OBJECTIVE: To explore decision making in personnel situations.

GENERALIZATION: The Personnel Manager has responsibilities to the business and to the employees.

REQUIRED MATERIALS: None

TEACHING STRATEGIES:

I. Questions for review and discussion of film, "Personnel". Allow about 20 minutes at the conclusion of this review for part III.

1. What do people want from work?

   A. Money, personal rewards, benefits.

2. What are personal rewards?

   A. Things like feeling important, feeling needed by the company or co-workers, feeling that you are contributing to society, doing things for people, and the like.

3. What are fringe benefits?

   A. Fringe benefits are things that a company will give you in addition to salary. One company may give you four weeks vacation while another gives only two. Most airlines let their employees take some airplane trips free. Clothing and department stores give their employees discounts on merchandise. All of these are fringe benefits.

4. Why are they called "fringe" benefits?

5. What are the different ways people get paid?

   A. Wages, salary, commission, piecework.

6. What are wages?

   A. Wages are a payment for work usually on an hourly or daily basis. You are paid for every hour you work.

7. What is a salary?

   A. Salary is a payment for doing a job. If you work overtime you are not paid extra.

8. What is a commission?

   A. A commission is a payment of a percentage on what you sell.

9. What is a piecework payment?

   A. Piecework payments are made on the basis of a certain amount of money for every piece of work you do or unit you produce.

10. How does an employer decide how much money to pay an employee?

    A. He must pay an employee about as much as other businesses are paying for the same type of job. Usually the more experience an employee has, the more an employer must pay him.

11. When you give responsibility for doing a job to someone, what things do you need to remember?

    A. Make sure he can do it, back up his decisions if he has to make any, keep a check on his work, make sure he knows what he is supposed to do.

12. How do you choose someone to whom you can give responsibility?

    A. Choose someone who can do the job and someone you can trust.

II. Review questions from filmstrips, "The Business Owner" and "Marketing."

1. Why must the business owner be able to get along well with people?

   A. Because he has to deal with his employees, customers, and suppliers in order to carry out his business.

2. What kind of salespeople should an employer try to hire?

   A. Persons who get along well with others and who are reliable, neat, clean, attractive.

3. What personal qualitites does a good salesman have?

   A. He is friendly, open, enjoys talking to people, is able to take pressure, is responsive to people.

4. When an employer hires a new employee, he usually asks the last place that person worked to tell him how he did on the job. Why?

5. Why is it important for a business person to make sales projections? Why is it important to his employees?

   A. A businessman must make projections so that he will know how much of an item to make and when to make it. It is important to his employees that he plan for the future like this so that he will not hire too many people at the wrong time and then have to lay them off.

III. Read each of the following case studies aloud to the class and discuss them. Have students suggest what they think will happen next. What should the supervisor do? Could the problem have been prevented?

Case #1: Hal travels quite a bit during the day for his company. While he is away, his secretary, Arlene, is supposed to keep the office going. She takes care of letters to the field offices. When she has finished her work, it is her job to help the secretaries in another department. They have more typing than they can handle alone. Hal often brags that Arlene is there every night at 6 or 6:30 when he comes in. He says it is okay with him that she comes in an hour or so late everyday, because she works so hard and stays so late.

Jim, Hal's boss, has gone in to see him to discuss Arlene. Jim tells Hal that he thinks Arlene spends too much time away from her desk. He also points out that she has given no help to the other department in weeks. He says that Arlene gets away with murder. As he leaves Hal's office, Jim adds that Arlene's skirts are much too short for office wear.

Not long after Jim has left Hal's office, Hal finds Arlene at her desk crying. Arlene tells him that Jim asked her to go to work for him. She says that when she said no, he told her that he would make her sorry.

Questions:

1. Is Arlene really working extra hours if she comes in at 10 and leaves at 6 or 6:30? She is supposed to work from 8 until 5.
2. Did Arlene have a hint about what Jim might say about her?
3. Did Hal ask for the problem? How?
4. Do you think Jim was telling the truth?
5. What should Hal do now?
6. Did Jim handle the situation correctly?
7. Does the length of a secretary's skirts make any difference in an office?

Case #2 (Before beginning, explain the meaning of turnover rate)

Howard Williams and Don Brown are supervisors at the same plant. The shops are side by side. Both men know their jobs very well. An interesting pattern has developed, however. Howard's shop has a much higher employee turnover rate than does Don's. Because he has too few workers, Howard finds it necessary to borrow people from Don. This makes extra work for Don, but that is not his major concern. He finds that morale in his group suffers each time Howard "makes a raid" as the workers call it. Since their supervisor gave Howard permission to borrow employees to fill out his work force, Don cannot decide what to do. One of his workers is about to force a decision. He has just said to Don, "Man, I can't take it any more. Do I work for you, or do I work for Howard?"

Questions:

1. Why do you think Howard has such a high turnover rate?
2. Should Don have to settle this problem?
3. Don's and Howard's supervisor gave permission for Howard to take the workers as he needs them. Do you think that was a good idea?

Case #3 Billie Williams has a crush on her supervisor, Al Johnson. Although she is a good worker, Billie has recently developed almost a problem a day that requires some of Al's time. She has even called his apartment on the weekend to ask for help when her car stalled. Al, who is not married, thinks Billie is a nice woman and a good worker, but he doesn't like all the attention she has been trying to get from him. He has hoped the problem would go away by itself, but it hasn't so far. Now Billie has begun to work her way into Al's lunch group. Al has to do something, but he doesn't want to hurt her feelings. He knows he has to do something, but what?

1. Do you think the other employees know that Billie has a crush on Al?
2. How do you think they feel about it?
3. What do you think Al should do?
4. Do you think Billie will quit her job?
5. Do you think Al should have done something before?

APPLICATION: Assess the role of personnel management in relationship to one's own personality.

EVALUATION: Make decisions and to give reasons behind those decisions.

Lesson Plan 8

SUBJECT: Ownership and Management Core Curriculum

MAJOR EMPHASIS: Financial management as a function of business ownership and management.

OBJECTIVE: To recognize the basic principles of financial management.

GENERALIZATION: Business growth and success requires good financial management.

REQUIRED MATERIAL: Filmstrip #4, "Financial Management".
(Optional) Vocabulary Study Sheet #4
(Optional) Concept Study Sheet #4

TEACHING STRATEGIES:

I. Introduction

1. Discuss with students why people go into business. Bring out that a primary reason is to make money.

2. Discuss with students what the mark of success in business is. Point out that money means success in business -- how much money is made and how wisely it is used to make more money.

3. Draw a parallel between a budget for a business and one for a home.

Business	Home
Furniture	Furniture
Machinery	Washer, dryer, car, lawn mower, etc.
Profit	Savings
Utilities	Utilities
Salaries	Allowances

II. Vocabulary

The following are words that appear in the filmstrip and may be unfamiliar to the students. Review them with the class before showing the film.

assets, liabilities, financial, finance, net worth, fixed cost, variable cost, projection, investor, mortgage

III. Show filmstrip, "Financial Management"

IV. Follow-up questions and discussion topics:

1. Why are business problems related to financial problems?

   A. The purpose of any business is to make money, so all problems must be solved in the light of whether the solutions will make or lose money for the business.

2. What are assets?

   A. Assets are anything that a company owns. Such things include buildings, machinery, furniture.

3. What are liabilities?

   A. Liabilities are anything that a business owes to another business or person. These are such things as a mortgage, loans, or money owed on any account.

APPLICATION: Begin to integrate financial management into one's own personal experiences.

EVALUATION: Discuss the importance of money in all areas of business.

SUBJECT: Ownership and Management Core Curriculum

MAJOR EMPHASIS: Financial management as an assessment of business success.

OBJECTIVE: To explore the concepts of financial management throughout business.

GENERALIZATION: Business success requires good assessment of finances throughout the business structure.

REQUIRED MATERIAL: None

TEACHING STRATEGIES:

I. Reinforce vocabulary.

II. Questions for review and discussion of film.

1. How can you figure out the net worth of a company?

   A. Subtract the liabilities from the assets to get the net worth.

2. What is a fixed cost?

   A. A fixed cost is one that cannot be easily changed. Things like rent or mortgage payments, payments on equipment, or taxes are fixed costs.

3. What is a variable cost?

   A. A variable cost is something that can be changed fairly easily in a short amount of time. Payroll can be changed in a week or two by laying off people -- this is a variable cost. The use of certain supplies may be reduced or eliminated.

4. If you are a business owner and want to cut down the costs of your business, where would you start -- with fixed costs or variable costs?

   A. You would start with variable costs because they can be changed quickly. You may try, in the long run, to cut down on fixed costs, renting out some of your property, but this would take time.

5. How does a business owner figure out how much money he will need to run his business for a month?

   A. He adds up all the expenses he expects to have for a month. Some of these things are salary, taxes, rent or mortgage, materials, etc. He may also add a small percentage for emergencies.

6. When a businessman needs money for his business, where are some places he may go to find it?

   A. Bank, investors, SBA.

III. Review questions from Filmstrips I, II, and III.

1. What are the four main departments of a business?

   A. Personnel, operations, finance, and marketing.

2. If you know a lot about sewing, what are some good kinds of businesses to go into? Why?

3. What are three ways of selling a product?

   A. Direct selling, selling by mail, and selling through distributors.

4. What is inventory?

   A. The products that a business sells and has on hand. Raw materials to be used in production are another form of inventory.

5. What are at least four ways to advertise a product?

   A. Radio and TV; newspapers, magazines and trade journals; direct mail; trade shows.

6. What are the main reasons people work?

   A. Money, personal satisfaction.

7. When you're giving responsibility to a person for doing a job, what things do you need to remember?

   A. Make sure he can do it, make sure he knows how to do it, back up his decisions if he has to make any, keep check on his work.

8. What are the different ways that people get paid?

   A. Wages, salary, commission, fringe benefits.

APPLICATION: Integrate all areas of business into one's own personality and personal experiences.

EVALUATION: Answer questions and give reasons for answers.

Lesson Plan 10

SUBJECT: Ownership and Management Core Curriculum

MAJOR EMPHASIS: Management decisions in a small business.

OBJECTIVES: To compare management of a small business to management of a large corporation.

GENERALIZATION: The scope and responsibilities of business management vary depending upon the size and type of business.

REQUIRED MATERIALS: All material included in this lesson plan.

TEACHING STRATEGIES:

I. Read one or two of the discussions on ownership from this lesson plan to the class. Discuss, bringing out the ways in which the people have blended their jobs and their personalities. Point out that for some of the people interviewed, the role of owner was an outgrowth of something else they wanted to do. Discuss the fact that ownership and management are roles which a person can make uniquely his own, using his personality and interpersonal skills to make it work.

1. Vivian White operates a store in Philadelphia, Pennsylvania, that sells children's clothes. People come from all over the area to shop at her store. What makes her store different? Almost all of the clothes she sells are handmade. She is in partnership with another woman, Carol Martin. Friends for over 20 years, Carol and Vivian decided that they wanted to go into business for themselves. Neither one had ever managed a business. They picked children's clothing because Carol has a flare for designing children's wear. Vivian has an eye for color and cloth. They combine their skills to create a special line of children's wear.

When they first started, they made the clothes themselves. Right away, they found they had a problem. They couldn't keep up with the demand for the clothes! That is a problem any business would like to have, a big demand for what they supply! They had to change the way they operated. Instead of trying to do it all by themselves, they had to hire some seamstresses. Carol is shy and does not like to meet the public. Vivian is more outgoing. She likes talking with people and selling. Vivian runs the shop and works with the salesgirls. Carol does the designing and works with the seamstresses. Vivian does the buying of material and decides what they need and when they need it.

Vivian has this to say about ownership: "It has worked out very well for us. Carol and I get along well, and I think more important is the fact that we respect each other's skills. I know that a partnership can be a problem when two people can't agree, but Carol and I pretty well decide who's boss on a given problem by what it is about. She gives in to me if it is about the shop itself, or a fabric, or placing orders. I give in to her about designs and working with the seamstresses. She decides when she can get a design ready for the shop. I guess our greatest arguments come when I tell Carol that I am going to need 10 new outfits by a certain date and she doesn't think she can get them ready in time. We manage to work it out.

"We don't have a high pressure business because we don't really want to get rich at it. We make enough money to be comfortable, and we have opened another shop in addition to our first one. I don't think any other store in the area offers what we do, designer-made clothes that are not expensive.

"What do I like about it? Well, it lets me work with fabric and color, which I like. It is nice to be able to make a living doing something you like. I am proud of our designs and the workmanship, and that makes it easy for me to act as a saleslady. Now that we are growing, I have more of a chance to set my own hours and work the schedule that I want to work. Some of the people who work with us have been with us almost since we started.

"I can tell you what I don't like easily enough. It may sound funny, but I don't like people nearly as much as I did before I opened a shop. People who come in to buy are not always polite or even careful with the things we have on the racks. And some of them let their children run wild in the shop. They do real damage to our merchandise, and there isn't much I can do about it. Sometimes I wish I could get all of them as they come in the door and at least wash their hands.

"I keep the books myself, and I have an outside accountant who comes in every month and goes over them for me. We don't need a full-time bookkeeper, because we are still too small. I took some bookkeeping in college, and it has come in handy. It has been easy for us to start the business and keep it going. It's hard to say if I would have liked it if there had been a lot of problems. I guess I would, because I believe we would have made it anyway."

2. Will Turner operates a drycleaning shop. He learned to dryclean and press clothes by going to school for eight weeks, and then he went to work in someone else's shop. He worked in three different shops over a period of about 10 years. Then Will decided that he could make more money if he ran his own shop. He had saved some money, enough to make a down payment on a business, but he had to borrow more.

He looked around for a drycleaning shop that was for sale and found one in a changing neighborhood. It was the only one around for quite a few blocks, and it was doing pretty well. The owner had been in an accident and couldn't work as hard as he had before, so he had to sell out. Will made a deal with him, and took over the business. He pays monthly against the amount he still owes the original owner.

Will feels this way about ownership: "It's a lot of hard work. I work longer hours than I ever did before, and I can't even ask myself for overtime! I have to come into the shop about 6 in the morning so I can start the boiler and get the steam up by the time the presser comes in at 7. I do some of the drycleaning and spotting myself and some pressing when we get in a bind. I have one man who does the drycleaning and spotting and one man who presses for me. Sometimes when the work is heavy, I pick up another presser or two for a few weeks. The store closes at 6, but I am here until about 9 most nights. I have to keep track of the tickets, and count the money we made and put it away. We are doing a good business, but things have been changing lately with the energy crisis and all. I am starting to get worried about getting supplies. And the cost! That has really gone up. I have had to raise the prices to my customers. What else can I do? It costs me more to clean their clothes.

"You know, I still like having my own business. It's a little tough right now, and sometimes I wish that I was just drawing a check and somebody else was doing the worrying. But, you know, there is something about having something that belongs to you, something about doing a good job and making your customers happy that I didn't feel when I was in the back. It is a special thing to see your own name over the door. I don't know about other guys who own businesses, but I know it makes me work harder to run a good business knowing that's my name up there."

3. Tom Wolf does not own his own business. He is manager of the manufacturing division of a large corporation. Tom worked his way up through the ranks. He started on the line as an assembler. He worked hard and was good at what he did. He went to school nights to further his education. He was made foreman, then supervisor. After going through a company training program, he became a manager. He has this to say about his job.

"I suppose I could have struck out on my own and opened up my own business. I don't think I would like it, though. After all there are a lot of advantages to working for a big outfit like this. I don't have to worry about getting money when I need it, because a place like this has real borrowing power. Of course, I have to take my needs to my boss, and then he talks to the big boys and they decide. Sometimes I don't get what I think I need, but then what job gives you everything you ask for? I believe that I am important to my company, and I know I do a good job. I always meet the quotas they set for me, and my division always makes a profit.

"I have a voice in the planning that goes on for the company. I'll never be the controlling vote, but as long as I keep my division running well, I know that I will be listened to when planning takes place. If I weren't doing that well, I know I would not be listened to, but come to think of it, I guess that is just as well. If I don't run my division well, why should I expect to have much of a voice in telling the whole company what to do?

"I am making a good salary, and the company has a profit-sharing program. I earn stock in the company, and that means that I get to share in what the company makes. That is another reason why I like to keep my division going well.

"I usually work fairly long hours, and being a manager, I don't get overtime. Still, the benefits here are good, and I get three weeks vacation every year. The health insurance plan is one of the best around, and that's one thing a big company can get for you, good group insurance.

"My brother thinks I am crazy. He thinks I ought to get out and put my own company together. He says that no matter how much stock I earn I will never own enough to have any real control over the corporation. He reminded me that one of the other divisions got sold off last year, and a lot of the people lost their jobs. He says if I owned my own company, I could never get fired. I guess he's right, but that is a pretty heavy responsibility.

"You have all those people who work for you, and if you can't make a go of the business, that means they are all out of work. I'd have to handle a lot more things than I do now. For instance, this corporation has a whole department that handles advertising. Another department takes care of all that paper work that goes with personnel, and they take care of the fringe benefits, too. The purchasing department takes care of the purchasing for me. I just tell them what I need and when I need it. Oh, I don't mean that everything is perfect. There are times when I could kill those guys in purchasing. Still, it seems a lot better to do what I am doing now than to take on all those other responsibilities. Being a manager for a place like this is a lot of hard work, but it suits me."

APPLICATION: Begin to recognize that decisions and performances vary as greatly in business situations as in personal experience.

EVALUATION: Discuss ownership and management in business and compare the feelings that different people have concerning business ownership.

SUBJECT: Ownership and Management Core Curriculum

MAJOR EMPHASIS: Career choice as a personal decision.

OBJECTIVES: To understand the concept that everyone must make a career choice and that one must prepare for that choice. To recognize that ownership and management can offer a variety of career possibilities.

GENERALIZATION: Preparation and understanding is vital in all career choices.

REQUIRED MATERIAL: Pen or pencil and paper.

TEACHING STRATEGIES:

I. This is perhaps the most difficult lesson plan in the series because it calls upon the teacher to guide without offering judgements. The goal of the lesson is to help the students organize their thinking about ownership and management. Ask the following questions and any others which seem appropriate. The goal is to help students to think for themselves and to express those thoughts. Try to prompt them when they need it without giving direct answers. Use of the chalkboard will be very helpful, but the students should not take notes. Leave 30 minutes or more at the end of the class hour for part II.

1. What are some of the things an owner will need to know how to do in order to succeed at his job?

2. What kinds of businesses develop from an owner's particular interest or talent? (Give an example of a needle supply shop or an auto mechanic shop.)

3. Can you run a successful business and not work well with people? What can you do when you don't do a part of the management job very well?

4. Do you think there is a special feeling about having your own name above the door?

5. What makes you happy when you are working at home? What kinds of jobs do you like? Which ones do you hate to do?

6. Suppose that you really like to work with small children. What kind of business could you open?

7. Suppose you like to paint pictures. What kind of businesses could that lead to?

8. If someone teaches people how to play the piano, would you consider that a business?

9. Would it be better to work for someone else as a manager, or to be your own boss?

10. Do you think everyone would be happy as a business owner?

11. Do you think women can do a good job as business owners? Why or why not?

12. What are some of the advantages of owning a business? What are some of the disadvantages?

13. What are some of the advantages of being a manager who works for someone else? What are some of the disadvantages?

14. Have you talked with people in the community who are business owners? Do they like what they do? What kinds of things do they like best? Do all of them like the same things about ownership? What do they dislike? Do they all dislike the same things?

II. Ask the students to write a short essay on how they feel about ownership as a career. The essay should include the reasons for and against a business ownership career. The essay should be at least one page in length.

APPLICATION: Apply one's learning, personal preferences, and personal experiences in determining career choices.

EVALUATION: Reach a tentative decision and give the reasons behind that decision.

VOCABULARY AND CONCEPT STUDY SHEETS

Vocabulary Study Sheet

THE BUSINESS OWNER

Sole Proprietorship	a business owned by one person; also called "proprietorship".
Stockholder	a person who owns stock in a corporation.
Partnership	a business other than a corporation owned by two or more persons.
Corporation	a business that is owned by stockholders.
Operations	that part of a business that has to do with making a product or providing a service.
Profit	the money left after all the expenses of the business have been subtracted from the income.
Income	money received by a business.
Marketing	that part of the business that has to do with selling a product or service.
Personnel	the people who work for a company.
Employee	a worker.
Cash Flow	cash received and paid out by a business.
Stock	evidence of ownership of a corporation.
Financial	having to do with money.
Fringe Benefit	something extra given to the employees in addition to the wages or salary they earn. Examples: health and life insurance, unemployment insurance, paid vacation, paid holidays, paid sick leave.
Liability	what a business owes.
Regulate	to control the operation of a business.
Board of Directors	a group of people elected by the stockholders to direct the major activities of a corporation.

Vocabulary Study Sheet

MARKETING

Marketing	having to do with selling a product or service.
Direct Costs	costs that are directly related to making a product or providing a service.
Indirect Costs	costs that are a part of keeping a business operating but not directly related to making a product or providing a service.
Forecast	a guess about what will happen in the future.
Market Research	finding out what people will likely buy; what colors, shapes, sizes they like best; how much a product or service should cost, etc.
Direct Selling	selling face to face with the customer, such as in a store or door to door.
Profit	the money left after all the expenses of the business have been subtracted from the income.
Break-even Point	that point at which income received matches that spent to develop and make a product.
Sales Projection	an estimate of the amount of sales a company will make over a given period of time.
Convention	a meeting of a group of people with a similar interest, such as being in the same business.
Inventory	goods that are stored waiting to be sold.
Trade Journal	a special interest magazine designed for people in a particular profession or business.
Handbill	a sheet of paper with advertising on it that is handed to people, stuck in mailboxes, put on cars, etc.
Distributors	people or stores that sell a particular product.
Labor	(a) the workers who produce a product or (b) the work that goes into making a product.

Vocabulary Study Sheet

PERSONNEL

Personnel	the people who work for a company.
Fringe Benefits	something extra given to the employees in addition to the wages or salary they earn. Examples: health and life insurance, unemployment insurance, paid vacation, paid holidays, paid sick leave.
Salary	money paid for work done; the payment is based on the nature of the job and not on the number of hours worked.
Wages	money paid for work done; the amount paid is based on the number of hours worked.
Commission	money paid for selling; usually a percentage of the total amount of goods sold.
Piecework	a method of payment based on the number of items produced.
Policies	rules about work, behavior.
Delegate Authority	give to someone else the responsibility of getting a job done.
Personal Rewards	feelings of satisfaction or dissatisfaction.
Experience	that which one has done in the past.

Vocabulary Study Sheet

FINANCE

Financial	having to do with money.
Line of Credit	an amount a lending institution will allow a business to borrow.
Budget	statement of expected income and expenses.
Short Term Loan	money borrowed for a short period of time, usually three years or less.
Accounting	keeping financial records.
Fixed Cost	a business cost that is not easily changed, such as rent.
Variable Cost	a business cost that is easily changed or controlled, such as salary, telephone, etc.
Asset	anything of value owned by a company.
Liability	what a business owes.
Accounts Payable	bills owed by the business.
Accounts Receivable	money owed to the business.
Stockholder's Equity	the ownership interest in a corporation.
Profit	the money left after all the expenses of the business have been subtracted from the income.
Net Worth	the difference between the assets and the liabilities of a company.
Balance Sheet	a summary of the financial condition of a business.
Investor	someone who puts money or other items of value into a business.
Mortgage	a pledge of property, usually real estate, to secure a loan.

CONCEPT STUDY SHEET NO. 1

The Business Owner

1. The owner of a business spends a great many hours every week at his job. He may spend more hours at work than his employees. Because of this and because of the pressure that he is under, it is very important that the owner like the business he is in. It helps if he has had experience in working at this kind of business before becoming an owner.

2. Since the owner is also the boss, he has the final responsibility for the success or failure of the business. He hires people to help him, but he is the one person most responsible.

3. There are three main types of business ownership:

   Sole proprietorship: a business owned by one person.
   Partnership: a business owned by two or more persons.
   Corporation: a business that has been incorporated under the laws of the state and is owned by stockholders.

   Each type of company has advantages and disadvantages. The sole proprietorship and partnership have fewer government rules to follow, but the owners take greater risks. They also can take all of the profit. However, if the business fails, they may have to give up their savings, their property, or even their other possessions to pay off the debts of the company.

   The corporation must follow many legal rules and regulations. However, the real owners, the shareholders, do not have any risk beyond their original investment if the company fails.

4. When a business starts out, the owner sets up a business plan. The business plan tells him what he wants to do, when he wants to do it, and how he wants to do it. The goals he sets must be realistic ones that he can meet within the time that he has set for himself.

5. The measure of success for any business is profit and growth.

6. Within a business, there are four main subdivisions of responsibility. These are:

   Operations: that which has to do with producing the product or service.
   Personnel: that which has to do with the employees.
   Marketing: that which has to do with advertising and selling the product.
   Financial: that which has to do with the money used by the business.

CONCEPT STUDY SHEET NO. 2

Marketing

1. Marketing has to do with advertising and selling a product or service. This includes deciding how the product will be packaged, where it will be sold, how much will be charged for it, how the advertising will be done, etc.

2. There are several ways to advertise a product or service. Some are: television, radio, trade journals, magazines, newspapers, and direct mail advertising.

3. Three basic ways of selling a product or service are: direct selling, selling through distributorships, and selling by mail.

4. A sales projection is used to tell the business owner how much income he can expect to have, when he will have it, and how much production he will have to have in order to meet sales.

5. It is important for the business owner to forecast so that he will be able to have products that will meet the needs of the customers. A good example is that of the business that made carriage bodies but went into making automobile bodies when the automobile was developed.

6. When the business owner tries to decide how much to charge for a product or service, he must do so in relationship to what people are willing to pay for his product. He cannot charge a great deal more than what anyone else is charging or the customers will not buy his product.

7. To determine how much to charge for a product, the business owner must decide exactly how much it costs for him to make it, how much it costs his business to stay in operation, what percentage of that cost can be added to the cost of the product, and how much profit is reasonable.

8. The break-even point is that point at which the businessman's income matches what he spent to make the product or provide the service.

9. Inventory consists of goods that the business has waiting to be sold. Since inventory costs money to produce, it is important that the business owner have only that amount which he needs to meet orders.

CONCEPT STUDY SHEET NO. 3

Personnel Management

1. People work best when they like the job they are doing and are happy in their work. The effective business owner tries hard to make sure that his people are happy because he knows they will be more productive.

2. The business owner must make rules and policies so that the people who work for him know what they are supposed to do. These rules and policies protect the employees as well as the business itself. It is important for employees to know what their rights and responsibilities are so that they will feel comfortable in their work.

3. In deciding whether or not to hire people, the employer must decide first of all whether he has enough work to justify adding another person to his staff. When he looks for an employee, he must find someone who has the experience and the skill to do the job that he wants done.

4. People should be placed in jobs that they are capable of doing. If they are not capable of handling those jobs, they will be unhappy, and it will cost the business owner money. The training process may take a long time, and equipment may be damaged by workers who do not know how to do their job. Sometimes it is worth it to train an individual for a job; at other times, it is better for the employer to hire someone who knows how to do the job already.

5. People work for two things: money and personal rewards. Personal rewards are things such as status, pleasure in doing the job, feeling productive.

6. There are four major types of compensation:

   Wages: based on the number of hours the individual works.
   Salary: amount paid for doing a particular job.
   Commission: a percentage of sales made.
   Piecework: payment for each piece of work completed.

7. The employer also offers what are called fringe benefits. Fringe benefits are such things as paid vacations, paid sick leave, paid holidays, workmen's compensation, unemployment insurance, pension plans, health and medical insurance. Fringe benefits cost the employer money, but he provides them in order to get good employees and keep them on the job. Some fringe benefits are required by law.

8. When deciding how much to pay an employee, the employer must consider the employee's experience, the job requirements, and what other employers in the vicinity are paying.

9. One of the most important things that an employer does is to delegate responsibility. This means that he gives someone a job to do. When he gives it, he must also give the authority to be sure that the job is carried out.

10. The most important thing that an employer must remember is that it is the people who work for him who make sure that his business can succeed. He must see to it that they are happy at their jobs, that they know what they are doing, and that he gives them the leadership they need in order to do what must be done.

CONCEPT STUDY SHEET NO. 4

Financial Management

1. In starting out, a business needs three things: ideas, people to carry out those ideas, and money.

2. A prospective business owner can look for money from several sources. These are: private investors, banks, the Small Business Administration, and Small Business Investment Corporations. Private investor is a person or group of persons who have money they are willing to invest in a company. They want the company to do well so that they can earn money on their investment.

3. All lending institutions charge interest on the money they lend a business.

4. When the businessman decides to borrow money, he must have a budget ready to take with him. The budget must show exactly how much money he will need. He will want to set up a line of credit. A line of credit is the total amount that he may borrow. He may ask for part of this total as he needs it.

5. A good businessman never borrows more than he needs because he must pay interest on the amount borrowed until he repays the loan.

6. Because the cash needs of a business are not the same from month to month, the businessman must project regularly how much money will be needed for the coming month.

7. When a business starts to receive income, the businessman then needs to determine how much cash, if any, he must borrow in order to meet his costs.

8. Even when a company is doing well, it sometimes has to borrow money on a short-term basis.

9. There are two basic kinds of costs: fixed costs and variable costs. A fixed costs is one that stays the same from month to month and is not easily changed. A variable cost is one that is easily changed.

10. Keeping the financial records of a business is called accounting.

11. In accounting you work with two things: assets and liabilities. An asset is anything that the business owns that has worth or value. A liability is anything owed by the business to another business or to a person or a group of people.

12. It is important in a business to make sure that the assets are always greater than the liabilities.

13. The balance sheet shows the assets and liabilities of a company. On the asset side of the balance sheet are the value in dollars of all the things the business owns.

14. On the liability side of the balance sheet are accounts payable, notes payable, and owner's equity.

15. Accounts payable include all the money a business owes that must be paid within the next 60 to 90 days.

16. Notes payable are long-term debts. They are to be paid over a long period of time.

17. Profit is the amount of money left over after all the expenses have been paid.

18. If a business cannot cover all of its expenses, it suffers a loss.

FILMSTRIPS

FILMSTRIP #1

THE BUSINESS OWNER

1. One day you may want to go into business for yourself. You may think that this is early to start thinking about it, but it's not. Many people are operating their own businesses before they are 20 years old.

2. Have you ever watched someone do something and thought to yourself, "I could do that better than he does." There are many people all around you who have felt that way and have done something about it. Who are they? They are the owners of small businesses in your community.

3. The man at the gas station, the grocery store owner, the doctor, the dentist, the farmer. At one time or another, they wanted to try something for themselves, and they did.

4. Renee Wise is 22 years old and runs her own dress company. She has always liked to sew. She has used her talent and know-how to start a profitable business.

5. Paul Keehr is 18 years old. He started out with one lamb that he traded for some geese. From this start, he has developed a poultry farm worth $35,000.

6. All kinds of people go into business. It isn't just the people who do well in school who make good businessmen and business women.

7. Many successful business owners did not finish high school. However, what you learn in school does help. The better your education, the better your chance to succeed as a business owner.

8. Starting your own business isn't so hard, but it does take good ideas, self-confidence, and a lot of hard work.

9. If they have to work so hard, why do people go into business instead of working for someone else? Well, most small business owners say that they like working for themselves.

10. They say that they work harder and longer hours than if they worked for someone else, but they like not having to report to a boss. When you work for yourself, you are the boss.

11. Owning your own business can be a great career, but it takes careful planning to make it great. Before you start out, you must decide what kind of things you know most about. It would be hard to start a business you don't know anything about.

12. It is also better if you have worked in the kind of business you plan to open. You may not learn everything you need to know this way, but you can learn many things that will help make your own business a success.

13. And another important thing -- since you will be spending a lot of time doing it, you should like the kind of work you will be doing. If you like what you do enough, your enthusiasm will be catching.

14. If you start your own business, you will be your own boss. You will have quite a bit of freedom and independence to do what you want, the way you want to do it.

15. Independence is great, but it also gives you a lot of responsibility. The biggest responsibility is for the success of your business.

16. For instance, say you own a grocery store. As owner, you can say when the store will be open and closed.

17. But if you choose to keep the store open only between 1 and 3 o'clock in the morning, most of your customers will be sleeping and you won't make many sales.

18. Your responsibility to your business will make you work when your customers need the services you offer.

19. As boss, you must also make sure everything gets done, no matter what. Suppose the clerk you hired to work in your grocery store gets sick and can't work one day.

20. Will you close the store? No! You will have to do your job ...

21. ... And his, too.

22. As your business grows, you will be able to hire people to help you with different parts of your work. These people can help to make your job easier and can also free you to put your attention where it is most needed.

23. Before you hire anyone, you will want to make sure that you will have enough work for him or her to do. It wouldn't be wise to hire a person one day and have to fire him the next because you hadn't planned well and didn't have enough work.

24. When will you want to hire people to work for you? When there is something to be done that you can't do yourself or when you don't have enough time or don't have a particular skill.

25. You will waste money if you hire people you don't need. An employee must do enough work to earn the money to pay his salary and to make a little extra for the business. If he can't do this, it will hurt your company to employ him.

26. Another simple thing that can make or lose money for you is the space where you and your employees work. The building you work in costs you money whether you rent it or buy it.

27. A smart businessman will get the right amount of space for his needs. That way he gets the most for his money.

28. Do you ever wish that you were in charge for a day or two, so that you could make the rules? As owner of your own business you not only can, you will have to make the rules.

29. Suppose that you are the boss and you run a restaurant that is open between 7 AM and 8 PM. You have three people working for you. What would happen if you didn't set some rules about the hours everyone worked?

30. If you did not have a rule about when people come to work, all of your employees might sleep late and not come to work until 10.

31. If you did not have a rule about when people could leave work for the day, all of your employees might decide to leave at 3 in the afternoon. For the next five hours, you would have to do all the jobs by yourself.

32. As an owner, your main responsibility is to your business. Everything you do, including making rules, must be done in order to make your business successful. If the business succeeds, your employees benefit just as you do.

33. How can you tell when your business is successful? One way is to see if it is profitable. What is profit? Profit is the money that is left over when all the expenses have been paid.

34. Suppose you are running a restaurant. At the end of one month, you count the money you have received from the people who have eaten there.

35. You have $3,000. From this money, you must pay your business bills. These are such things as employees' salaries, your salary, rent, insurance, and the cost of the food you have served. Added together, these all come to $2,500. The money you have left over is the profit. Your business has made $500 profit for this month.

36. Making a profit isn't the only way to tell if a business is successful. Many business owners will take some of their profit and use it to help the business grow bigger.

37. Perhaps they will add more space to their building, new equipment, or they might want to add new kinds of things to those they already sell. This is called growth.

38. It is necessary for a business to remain in step with the times, to change when things need to be done differently, and to compete with other businesses. This is another side of growth.

39. A business which is growing may not show as big a profit as one that isn't, because the owner is using some of the income to help it grow. Such a business is still considered successful, because it is taking steps to make even more profit in the future.

40. Another measure of success is called stability. If a business does well for a while, then poorly, then well, and then poorly again, it is not stable.

41. A stable business is one that grows gradually without taking huge slides backwards.

42. There are three different forms of ownership a business can take -- sole proprietorship, partnership, or corporation. Each form has certain benefits and disadvantages so you will have to think carefully to decide which form is best for what you want to do.

43. In a sole proprietorship, one person owns the whole business. He must make all of the decisions, and he can take home all of the profit if the business is doing well.

44. If it isn't doing well and it goes into debt, the owner's creditors can not only take his business away from him, they can take his personal belongings such as his house or car to pay off the business debts.

45. In a partnership, two or more people own the business. This arrangement is about the same as a sole proprietorship, except that all the partners must share in raising money, making decisions, taking profit, and in being responsible for business failures and debts.

46. Most important, the partners must agree on major decisions. You can see that this could be complicated when there are many partners.

47. A corporation is somewhat different from sole proprietorships and partnerships. In a corporation, ownership is broken up into small pieces called shares. The people who own shares of the business are called shareholders or stockholders, and they are the owners of the business.

48. The shareholders may vote on different things concerning the business, but they don't take part directly in day-to-day decisions. They elect a board of directors who in turn choose officers to manage the business.

49. Although the stockholders don't make decisions individually, as a group they do have control of what happens. If they don't like the way that the business is being run, they can vote to elect new directors. Each share of stock is allowed one vote.

50. One of the good things about corporations is that not all owners need to agree for a decision to be made. The majority of shares voted decides. If the business gets into debt, the owners will not lose their personal belongings. Also it is sometimes easier to raise money for a business if it is a corporation.

51. There are many more laws saying what a corporation can or cannot do than for sole proprietorships or partnerships. Also, the person who runs the business must report to the board of directors. He doesn't have as much freedom as if he owned the business himself alone, but he doesn't have as much risk either.

52. Every business, no matter what form of ownership it takes, has four main departments. They are marketing, operations, financial, and personnel. As a small business woner, you may have to do them all. As your business grows, you may hire other people to help you.

53. Marketing is the part of business concerned with selling a product. It is trying to figure out what people will buy and deciding what is the best

way to sell your product. It is also concerned with advertising and actually selling the product to the customer.

54. All the things that have to do with producing a product are called operations.

55. This is one of the most important parts of the business because this is what gives it something to sell. Marketing, personnel, and finance are all designed to help operations do its job.

56. The financial department speaks for itself. Everything that deals with money comes under this department -- how much money you take in, how much you pay out.

57. Besides keeping careful records of all money matters, the financial department advises an owner about the financial position of his company. It helps an owner make financial plans and tries to predict any financial problems that may occur in the future.

58. When you are managing the personnel, of course, you will be dealing with your employees. You will be deciding whom to hire, and when to hire them, who deserves a raise, and who does not.

59. This may sound like a lot for one person to handle, and it is. But many things you do as a business owner includes all four areas. For instance:

60. Suppose you are running a beauty shop, and you decide that you need a new manicurist. You interview several people and finally decide on one whom you will pay $2.25 per hour.

61. This action included three areas of business. Recognizing that you needed one more person to get the work done was "operations." Interviewing and hiring someone falls under "personnel," and deciding to pay $2.25 is in the "financial" area. So you see, it isn't as difficult as it seems.

62. With all the things you must keep in mind while managing a business, it is very easy to get confused. With so many little things claiming your attention, it is easy to forget the big things.

63. In order to keep things straight, business owners set goals for themselves. They decide what things they want to achieve. Do they want to make a certain amount of profit? Do they want to expand their business? How big do they want the business to get?

64. Once goals are set, a business owner will use them to evaluate his progress. Every once in awhile he will look at his business and look at his goals to see how close he is to achieving them. To be useful, goals must be ones that can be reached.

65. For instance, suppose you own a small grocery store and one of your goals is to expand your business. Can you really expect it to become as big as the big food chain stores in six months? No! Of course not.

66. You will have to make your expansion goals easier to reach. Perhaps reaching chain store size in 20 years would be a realistic goal, but in the next

six months a small addition to your present store would be more realistic.

67. Once an owner has set goals for his business, he then makes a business plan. This plan sets down what he needs to do to reach his goals.

68. This plan will list what his goals are, how long he gives himself to reach them, and what he must do to achieve them. This may include such things as how many people he will need to hire, how much money he will need, what kind of building and equipment will be required.

69. When all this is set down on paper, the business owner decides the time limits to complete each part of the plan. He can then follow his plan to help him reach his goal. One important thing about a business plan is that it can be changed if it has to be. Sometimes conditions change so much that the first plan cannot be followed. A new one has to be made up.

70. If this sounds like a lot of trouble, it really isn't. With all of the things a business owner has on his mind it is easy to get distracted from his main goals, and if he looks over his business plan once in awhile he can judge if what he is doing is taking him toward his goal.

71. Does this seem like a lot for one person to know, remember, and then do? You're right, it is. Even for people with many years of experience. You may need help, and help is available.

72. The United States Government has set up a special agency to help small business owners. It is called the Small Business Administration.

73. The Small Business Administration publishes many books and pamphlets about every phase of business ownership. They also have teams of experts who can help a business owner with problems he may be having.

74. There are many other people who will be willing to help you with encouragement and advice -- your family, friends, and other business people, to name a few.

75. If the things we have been talking about sound exciting to you, business ownership may be in your future. It can be a great career.

76. This film was prepared for the Bureau of Occupational and Adult Education, Curriculum Center, U.S. Office of Education, through a grant to the National Business Education Association.

MARKETING

1. We've said that marketing is an important part of business, but what exactly is marketing? In its largest meaning, marketing is presenting a product to people and selling it.

2. But marketing is more than just selling an item. It is also figuring out what people want or can be talked into wanting. It is also creating a desire in people to purchase what a company has to sell.

3. One of the first things a business owner must know is what people want to buy and what they are willing to pay. To find this out, he or she may talk to friends and customers, and ask their opinions.

4. He may do more formal things such as sending out questionnaires. These activities are called market research -- finding out what people will buy. Obviously, it is a very important part of running a business.

5. Market research can definitely help an owner plan for the future. If a business owner tries to sell a product or a service that people don't want, he will not sell very much. That means he won't make any money and can't stay in business. On the other hand, if he can use his market research to discover something that people want that he can provide, he can make many sales and may make a lot of money.

6. Once market research has discovered what it is that people will buy, then the product or service must be developed, if it is not already in existence.

7. For instance, if you owned a grocery store and found that people wanted a certain brand of frozen food, you would carry that brand.

8. But, if you found that people wanted a complete butcher department where they could get meat specially cut, you would have to develop that service.

9. You would have to find out how many more people you would need to hire, how much space you would need for the new department, what new equipment you would need, and how much you would have to charge for the meat. Then you would have to find out if people would buy meat at these prices. This would be developing a new line of business.

10. When all this has been done, the services or products offered by your business must be advertised or promoted so that the public will know what you have to offer.

11. There are four major ways of advertising a product. The most familiar way is broadcasting on radio and TV. This is an extremely expensive way of advertising, but it usually reaches more people than other media.

12. If you own a neighborhood business like a garage, or have a specialized product such as textbooks, this kind of advertising would not be best for you. You can reach your customers for less cost with a different kind of advertising. Radio and TV commercials are more helpful for someone whose business can attract customers from a wide area. An automobile dealership is a good example of such a business.

13. Advertisements in newspapers, magazines, and trade journals reach a large number of people in a wide area and are less expensive than TV and radio advertising. If your product is of interest to a wide variety of people, you would use newspapers and magazines.

14. If you want to sell a specialized item, such as an instrument for cleaning dog's teeth, you would advertise in a trade journal for veterinarians. These journals reach a limited number of people, but they are exactly the people you want as customers.

15. A third method of advertising is by direct mail. When a business sends out printed sheets or catalogues showing its products or advertising special sales, it is using direct mail.

16. A business owner may send his ads to people in his neighborhood if he has a neighborhood business such as a dry cleaning shop or a food market. Or he may purchase a list of names of people or businesses from all over the country that might be interested in his product.

17. Another way of advertising is to attend trade shows. Various kinds of businesses and professions hold product shows and conventions during the year. If the businessman has a product that might interest a particular group, he could rent space at a show, set up a booth, and display his products.

18. Teachers, principals, and other school employees have conventions throughout the year. If your business were selling textbooks, setting up a booth at those conventions would be a good way of letting large numbers of teachers learn about your product.

19. While almost all businesses use at least one method of advertising, many use a combination of methods to reach the people who might be interested in a product. Just as there are various ways of advertising a product, there are also several ways of selling it.

20. The most familiar way is direct selling. Direct selling is presenting the product to customers individually. The door-to-door salesman is employing direct selling. So is the owner of a drugstore or a gift shop. All of these people see their customers face to face and use their own personalities in helping to sell their products.

21. Another method of selling is by mail. A business owner may send out catalogues from which people may order merchandise. He may also print coupons in magazines or newspapers that people can use to mail in and order products.

22. An owner can also employ distributors to sell his product. He can either get an established store to carry his goods or hire an individual salesman to visit prospective customers. Usually these salesmen will sell the products of several different manufacturers.

23. A business owner must examine all kinds of selling techniques to see which best fits what he has to offer. Sometimes a combination of methods is used.

24. We have talked about what market research can tell you about what people will buy today. It can also help you see what people will want in the future. A business that wants to continue to have high sales must always keep up with what the public wants.

25. Wants and needs change from year to year and even from month to month. The owner of a small business must look ahead to see what these changes will be and change his products to keep up with them. Like a weather forecast, a business forecast looks into the future and tries to predict what will happen.

26. For instance, when people started using automobiles instead of horses and buggies, the buggy whip was not needed any more. If a man who made buggy whips did not see this and change his product, he went out of business.

27. Forecasting market changes shows a business person what is going on in his field of business and what changes he will need to make in his products in order to keep up.

28. A sales projection will tell him how much of his products he will probably sell and when he will sell them. If a business owner knows approximately when and how many of his products he will sell, he will know how many to make, how many people he will need to make them, the amount of materials he needs to buy, and by what date he must have the products to his customers.

29. A sales projection, then, is a way to decide what schedule the business needs to follow in order to have the best chance to succeed.

30. For instance, a sales projection would tell the owner of a toy business that his toys are sold in the stores during November and December because children get the most toys during the holiday season. During the rest of the year not as many toys are sold.

31. The toys must be in the stores no later than October. Once he knows this, the owner realizes he must order the materials for making the toys and hire the extra people for making them during the spring and summer.

32. After that time, he will need fewer employees and production will slow down. If he hadn't done a sales projection, he might not have had enough toys ready for the holiday season and would have lost a lot of sales. Or he might have made a lot of toys at another time and not been able to sell them.

33. A sales projection, then, can be most helpful in two areas: telling you how much of a product to produce, and telling you when to produce it.

34. When a business owner talks about inventory, he is talking about the products he has for sale in his place of business. In a grocery store, the inventory consists of the different cans of food, packages of meat, vegetables, and so forth that the grocer has on his shelves and in his storeroom.

35. The inventory in a gas station is the gasoline, oil, tires, and different car parts and products in the station.

36. When a business owner buys products for sale to others, he is using money that he might otherwise use for something else, such as paying taxes or salaries.

37. He won't be able to get that money back until he sells his products to customers, so he must be very careful not to buy too much of anything. Having something sitting on the shelf waiting to be sold is like having your money sitting there where you can't use it.

38. On the other hand, if a business owner does not order enough of a certain item and runs out just when customers need it, he will lose sales. If this happens very often, the business will lose customers because people will begin to believe that particular business won't have what they need and won't go there in the future.

39. A businessman trying to manage his inventory is like a tight rope walker. If he leans too far to one side or the other, he will be in trouble. If he doesn't order enough inventory, he will lose sales.

40. But, if he orders too much of something, or items that don't sell rapidly, money that he may need for other things will be sitting on his shelves in the form of unsold products.

41. How does a business owner set the price of his goods so that they will sell rapidly and profitably? There are two major things that enter into setting a price. One is the amount it will cost to make a product, and the other is what it can be sold for.

42. To make sure that items do sell and sell steadily, it is important that they are priced correctly. An item must be priced low enough that customers will be willing to buy it, and high enough that a profit will be made from the sale.

43. How much it will cost a businessman to make a product is determined by factors mostly within the business. These are the direct and indirect costs. Let's take a look at how a business owner goes about finding out how much it will cost him to make a new product.

44. First, he must consider how much he had to pay for the materials that go into the products being sold. Then he must add on what he has to pay his employees to make or sell the product. This includes not only their salaries but also things like social security, unemployment insurance, and any other fringe benefits they may receive. These things are called direct costs.

45. After he adds in the direct costs, an owner must also figure in his indirect costs. They include part of the salaries of employees who work for the business but don't work directly making the product, such as secretaries and presidents.

46. Of course, not all of the cost of every one of these things is added into every product sold. But a part of each one of them goes into the price of every item.

47. On top of all of this, the cost of advertising or selling the product must be added in. Last, but not least, the profit must be figured in. When this has been done, the owner can arrive at the price for which the product must be sold.

48. Another thing that a business owner must think about when he is planning to manufacture a new product and set a price is something called the break-even point.

49. The break-even point is reached when income matches expenses. After that point, you start to earn a profit. Suppose you decide to have a bake sale. You have to buy supplies and make the baked goods you are going to sell. Let's say that costs you $15.00.

50. You must sell $15.00 of baked goods to reach your break-even point. If you only sold $15.00 worth, then you "broke even" -- you did not make a profit nor lose money. If you sold $10.00 worth, then you did not "break even" -- you lost $5.00. If you sold $20.00 worth, then you made $5.00 profit.

51. A business has more costs than just supplies, of course, but the idea is the same. The break-even point is reached when income equals expenses.

52. But these costs are just those within your business that affect the price of your products. There are several other factors outside your business that could affect the price you set on a product.

53. One of the things that can affect pricing is supply and demand. If there is a small supply of your product to be sold and a large demand for it, of course you can charge a relatively high price. But if there is a large supply of the product and not much demand for it, you will have to lower your price.

54. Sometimes a competitor will set the price of an item. If you want to compete with what he is selling, you won't be able to sell your product for much more than he is.

55. You might find that you can't make a product as cheaply as it is being sold on the market, so you will have to decide on something else to manufacture.

56. The effective manager must be able to predict what people need and develop products to meet those needs. He must advertise those products so that people will know about them and buy them. He must price his products so that a profit is made and the products will still sell.

57. When we talk about selling a product many people think only of advertising, but the business owner knows that there is much more to it than that.

58. Marketing a product has many parts to it and each is so important that it can make or break the business.

59. Marketing is never easy, but when it is done well it can make the difference between a business that is a failure, just struggling along, or a booming success.

60. This film was prepared for the Bureau of Occupational and Adult Education, Curriculum Center, U.S. Office of Education through a grant to the National Business Education Association.

PERSONNEL

1. The management of personnel can be one of the most enjoyable parts of running your own business. You can't hold an interesting conversation with a machine, and a balance sheet can't tell you a joke. Only people can do these things.

2. On the other hand, personnel can be the most difficult part of your job as an owner. A balance sheet may not be able to tell a joke, but it can't talk back to you, either. Neither will it be late to work. A truck won't come to work grouchy because it had a fight with its girlfriend.

3. Working people is the most enjoyable -- and the most difficult -- part of management. It is your job as manager to make sure that there are more good times than bad ones.

4. Although he may hire many people to help him, it is the owner who has the final responsibility of making sure that the employees are doing their jobs correctly and that the business is running well.

5. To do this, he must make certain rules and policies and see that they are followed. A business cannot run with each person doing only what he wants when he wants to.

6. Some rules are to protect the business and some to protect the employees, but most rules will protect both.

7. In some businesses, there is a rule that everyone must wear safety shoes. These are shoes with a metal shield for the toe and extra heavy soles. They are worn in jobs where something might drop and crush the toes or where something might be on the floor that could cut through the sole of normal street shoes.

8. Whom does this rule protect? It protects the employee from possible injury to his feet. It also protects the employer from high insurance rates and loss of production time due to injuries to employees.

9. The business owner must find the best employees for his business. He must interview and select people who have the right skills and experience and appear to be dependable. He must keep them at their highest level of productivity. To do this, he must make sure that all the people and their surroundings contribute to this end.

10. Some business owners say, "I own this business, and I pay my employees to work, not to be happy." This is perfectly true. The reason an employer hires people is to work, but most people work better when they are happy.

11. How will you decide on the employees you hire? First, you must look around and see what kinds of jobs need to be done. What skills are needed? If you need someone who knows how to tune engines, you wouldn't hire someone trained as an actor.

12. Next, you will have to decide how much work there is and how many people you will need to get it done. If you hire too many people for too little work, you will waste money.

13. On the other hand, if you employ too few people for too much work, your employees will be overworked and unhappy. This will lead to poor workmanship, and you will lose customers and money if you sell a poor product.

14. Once you have decided what kind of job needs to be done and how many people you need to do it, you must find people with the skills you need, and then hire your employees.

15. When you are going to hire a new employee, you want to get the best person you can for the job.

16. For example, suppose you are running a garage and need an auto mechanic. If five men who have been trained in auto repair and have several years of good experience apply, you probably would not hire someone straight out of auto mechanics school who had no experience.

17. On the other hand, if the person just out of auto mechanics school was the only one available, you might hire him.

18. When you set out to hire a new employee, you will have to decide what his pay will be. This is not always as easy as it may sound.

19. Certainly the kind of job you are hiring him for will have a lot to do with what you pay an employee. You wouldn't pay a stock clerk ...

20. ... The same as you would a pressman. One job takes much more skill and training to do than the other.

21. If you did try to pay these two people at the stock clerk's rate, you probably wouldn't be able to hire the pressman. He could get a better paying job some place else.

22. What other employers are paying for similar jobs will help to determine what you will have pay your employees. If you don't pay about as well as other employers, you won't be able to hire anyone.

23. However, if you pay much more than other businesses, you will have to add this extra cost into the price of your product. That may make it cost so much that it may be unattractive to customers.

24. Although you must pay salaries that are reasonably close to what other people are paying for the same skills, you do have some leeway. Most important, you must consider what you can afford to pay a new employee.

25. Perhaps you can't afford to pay quite as much as other employers, but you might be able to offer other things besides pay -- better working hours, nicer surroundings, etc.

26. And last, but not least, you must consider the employee himself. Naturally, you will have to pay more to an experienced person. But this doesn't mean that the less experienced person is always the biggest bargain.

27. You will have to pay the experienced person more than an inexperienced one, but he may be more productive. You might have to spend a lot of time and money teaching the inexperienced person things that an experienced person would know right from the start.

28. All people, both experienced and inexperienced, look for two major rewards from their work. The first and main one, of course, is money. And the second one is personal satisfaction.

29. Personal satisfaction comes from feeling respected, feeling important, and feeling that you are contributing something worthwhile to the business and to the world -- feeling as though you are working at something you can be proud of. And, perhaps most of all liking your job.

30. If you can increase the personal satisfaction an employee receives from a job, you may be able to pay a little less than if the job offers no such rewards. Also, a happy employee will most likely produce more because he isn't using up his energy disliking his job or complaining about it.

31. If a person is really happy at his job, he may be satisfied with a lower wage or salary. On the other hand, all of the money in the world may not be enough pay for a person to do a job that he dislikes.

32. Pay comes in several different forms. An owner must decide which form is most suitable for his business and for his employees. One of the most common is wages.

33. For instance, if you are baby-sitting for a neighbor's children and you charge $1.00 an hour, the money you receive is called wages. A person is said to be receiving wages when he is being paid "by the hour." He is paid a certain amount of money for every hour that he works.

34. Generally, wage earners start work and finish by a time clock. If they are late to work, they are not paid for the time they do not work. However, if they work the longer than the normal working day, they are paid extra, or "overtime," for it.

35. A person who is said to be "on salary" is paid for the overall job he does rather than for the number of hours he works. A salaried employee can be a few minutes late coming to work in the morning without having money deducted from his pay. If he does it too often, however, he may lose his job.

36. Of course, he may be asked to work extra hours without receiving extra pay. If he travels during the weekend for the company, he may not get overtime pay for that either.

37. Suppose you have a paper route and the newspaper company says for every ten papers you sell they will pay you the price of one newspaper. You are being paid a 10 percent commission.

38. Many salesmen are paid this way. The more they sell, the more they earn. Because their sales are not always the same each month, many salesmen are allowed to take some money in advance every month and then charge it against their future commission earnings.

39. One other kind of pay is called piecework. With this form of pay, the employee is paid a certain amount of money for every piece of work or every item he produces.

40. For instance, a person who presses clothes in a dry cleaning shop might get paid 10¢ for every piece of clothing he finishes. He is said to be doing piecework. The faster he works the more money he makes.

41. Sometimes employees are paid by a combination of these various systems. It is up to the employer to see which system or combination of systems is best for his business.

42. Almost all employees, these days, no matter how they are paid, receive some extra benefits from their employers. These may include: paid sick leave, paid holidays and vacations, various kinds of insurance, and pension plans.

43. These "extras" are quite valuable to an employee and may be worth up to another one-third of his salary.

44. When you hire someone, it will be because there is too much work for you to handle by yourself. How do you decide which things you want your new employees to do?

45. You would probably want a new employee to do some of the things that you do least well or some of the things that take you away from more important business.

46. For instance, if you were running a restaurant and doing everything except waiting on the tables, you might find that you didn't have enough time to order supplies and run the cash register.

47. You might hire someone to do the cooking for you so that you could do these other things. You might decide to continue to cook and instead hire a cashier.

48. There are some things, however, that you should be careful about letting other people be responsible for if you want to control your business.

49. It is possible for you to lose control of your business if you are not careful about certain things. One of these is handling money. If you do not keep a close check on the financial situation of your company, you may very well have trouble on your hands.

50. A cashier, a bookkeeper, or an accountant who did not do his job well could severely damage your business. You must be very careful when it comes to the financial end of your business.

51. If you hire a cashier instead of taking care of the register yourself, you must hire someone who is trustworthy. Even then, you should always check the money at the end of the day.

52. If you hire a bookkeeper to do some of the financial work of your business, you should hire an outside accountant to come in at least once a year to check the accuracy of the bookkeeper.

53. Problems may occur with anyone holding a responsible position. It is of great importance that you keep track of all responsibilities you give to other people to make sure they are being carried out. The bigger the responsibility, the more important it is that you know what is happening.

54. In any business, the owner must stay in contact with every part of his business at all times. This helps him make the best decisions for his company.

55. Staying in close contact with what other people are doing also encourages them to do a better job.

56. It also means that the business owner has a chance to see how good his employees are.

57. Once an owner has decided which job he is going to give to someone else, he must be sure that the employee is someone he can trust to do a good job.

58. It goes without saying that a small business owner should be sure that an employee knows how to do a job before he assigns it to him, or that he can learn to do it without much problem.

59. If you give an employee responsibility for getting a job done, you must also make sure you give him the authority to get it done. If you don't want him to have the authority or don't think he can handle it, then don't give him the responsibility.

60. For instance, the owner of a printing company has three linotype operators working for him. If he gives one of them responsiblity for making sure that all the typesetting gets done, then he must also give the man the authority to tell the other employees what to do. If he doesn't do this, the leader won't be able to get the work done.

61. If something goes wrong and the leader must make an important decision, such as assigning work, disciplining someone, or sending a sick worker home, you must stand behind his decision.

62. If you find that the leader is making decisions you don't like and you feel you cannot stand behind him, you must either try to work with him to correct his mistakes or take the responsibility and authority away from him.

63. Although a business owner may be able to assign many jobs and responsibilities to his employees, the final responsibility for the success or failure of the business is his own. He can never give that to anyone else.

64. Trying to be a fair employer, trying to see that all of your employees are as happy as possible and still keeping up a high rate of production is no small job. But it can be the most rewarding job you have.

65. This film was prepared for the Bureau of Occupartional and Adult Education, Curriculum Center, U.S. Office of Education, through a grant to the National Business Education Association.

FILMSTRIP #4

FINANCIAL MANAGEMENT

1. When starting a business, there are several things that are needed: ideas, people to carry out those ideas, and money.

2. A business cannot operate without money, no matter how good the ideas or how good the people.

3. Where can a prospective business owner get money? He probably has very little in the way of savings himself, so we can expect that an outside source is going to provide most of it.

4. One source of money is the private investor. This is an individual or individuals who have money they are willing to invest in the company. For this, they may get a share of the ownership and have a voice in how the business operates.

5. A second source of money is the bank. When a potential businessman has a good plan and something to use as security, he can borrow money from the bank.

6. An investor or a bank will always demand that interest be paid on the money loaned to a business.

7. Interest rates are different from time to time, depending on the state of the economy. They may also be different from bank to bank.

8. Another source of funds is the Small Business Administration. SBA, as it is called, has been designed to help small business owners establish and operate their own businesses. Usually, before he can get a loan with the help of the SBA the business owner must have been turned down by banks or other sources.

9. Small Business Investment Corporations are another source of money, or capital, for operating a business. These are set up by private companies as investment corporations. They lend money to owners of small businesses.

10. SBIC's recognize that there is a special risk in lending money to a small business, but they feel that the risk is worthwhile since it helps businesses to get started.

11. When a businessman decides where to borrow money, he must have a budget ready to take with him. It must show exactly how much money he will need. He arrives at the amount needed by adding up all of the expenses and comparing them with expected income.

12. To make his budget, he first writes down all of the things he will have to spend money on. These will probably include: rent, salaries, fringe benefits, supplies, utilities, and telephone. They may also include materials and equipment.

13. When he has listed all of the things he will have to spend money on, he must then decide how much he believes he will have to spend for each. He may not know the exact amount, but he must come as close as possible.

14. He does this for each month for which he expects to have to borrow money.

15. When the business owner goes to borrow money, he will not borrow all of the money he may need for those months all at once. He will want to borrow a little at a time until he has met all of his needs.

16. He first sets up a line of credit. A line of credit is a total amount that he may borrow. He can ask for a part of this total as he needs it.

17. As he borrows more, the additional amount is added to what has not yet been paid back and so on.

18. A wise businessman never borrows more than he needs because he must pay interest on the amount he borrowed until he pays it back. He must plan carefully for his expenses.

19. Because the cash needs of a business will not be the same from month to month, the businessman will have to project regularly how much money will be needed for the coming month.

20. When the business starts to receive income, the owner will determine how much cash, if any, he will need in addition to the amount coming in to meet his costs.

21. He will have less need to borrow money, except on a short-term basis, as his business becomes more successful. The company has to have money to continue to operate while it is waiting for its customers to pay their bills. The company will borrow money on a short-term basis and pay it back when the customers start to pay what they owe.

22. If profit does not grow as rapidly as the business owner would like, then he may have to examine his costs and see where he can make savings.

23. To see how this is done, let's divide his regular monthly costs into fixed costs and variable costs.

24. A fixed cost is one that stays the same from month to month and is not easily changed.

25. A variable cost is one that may not be the same from month to month. It is easily changed.

26. The rent and leased equipment would be fixed costs. The business owner can change them, but it will take time to do so. For example, he might be able to rent out a part of the building he himself is using. Part of his rent cost would then be paid by someone else. However, it would take time to do this.

27. Variable costs are costs that he can change by taking immediate action. Salaries are an excellent example of a variable cost.

28. Any time someone is hired, the salary costs go up.

29. When someone is taken off the payroll, the salary costs go down. The business owner can make a change in the total salary costs very quickly.

30. A business owner must always be well aware of what his cost level is in any part of his business. He can know this by keeping records of all his costs.

31. The businessman will want to keep records that are true and accurate, yet at the same time give the best possible picture of how his business is operating.

32. Keeping financial records of a business is called accounting. Accounting records help a business owner keep track of assets and liabilities.

33. An asset is anything that the business owns that has worth or value. This includes things such as cash in the bank, money owed to the business by customers, equipment, buildings or property, raw materials, inventory, and so on.

34. A liability is anything owed by the business to another business or to a person or group of people.

35. Remember, an asset is anything the business owns. A liability is anything the business owes to another business or to a person or group of people.

36. If owning a business were a game, you might keep score by comparing the assets to the liabilities. Total assets should always be greater than the total liabilities.

37. If liabilities are greater than the assets, the businessman may have to change the way he plays the game, or he won't be able to play any more.

38. One scorecard for a business is the balance sheet. The assets and liabilities are listed on the balance sheet. This makes it easier to understand how the business is doing than if you had to sit down and go over all the records.

39. On the assets side of the balance sheet are the values in dollars of all the things the business owns -- its cash, accounts receivable, equipment, buildings, and any other property.

40. Cash is the money in the bank that is ready for use at any time. It is there to meet payroll and for day-to-day expenses.

41. The money owed to the business by customers make up accounts receivable. People and companies alike cannot always pay as soon as they get the bill.

42. Equipment includes the total value of the equipment the business owns.

43. Buildings and property include the total value of the buildings and property owned by the business.

44. On the liabilities side of the balance sheet are accounts payable, notes payable, and owner's equity.

45. Accounts payable include all the money the business owes that must be paid within the next 60 to 90 days. They are short-term debts.

46. Notes payable are long-term debts. They are paid over a long period of time.

47. Just by looking at the balance sheet, you can tell how it got its name. Both sides must total the same. How can it always balance?

48. When the accountant subtracts the liabilities from the assets, the amount left is the owner's or stockholders' share of the company.

49. The balance sheet, then, is a way of comparing the total assets and the total liabilities of the company. It shows at a glance some of the most important financial information about a company.

50. As the scorecard, it not only gives a summing up of the play by play, it also gives the score for that playing period. You can tell whether the businessman is winning or losing by reading the bottom line on the liabilities side, just before the total.

51. Sometimes called owner's equity, the bottom line is really the net worth of the business.

52. Finding the net worth of any business is a simple problem in subtraction. Assets less liabilities equals net worth. Running a business so that the net worth keeps getting larger is not so simple.

53. Every business must take in enough money to cover all its costs. A profit-making business must take in more than enough income to cover all its costs. It must bring in enough to cover all costs and make a profit as well.

54. If it cannot cover all its costs, a business loses money. A loss is shown by putting brackets around the number at the bottom.

55. If the business shows a loss, the businessman must look at his costs and see if he can reduce some of them. Those brackets at the bottomg of the line are a sure clue that something has to change. Either sales have to go up, costs have to go down, or both things have to happen.

56. The business owner must always be on the lookout for clues to what may become problems in his business. It is part of his job to solve problems before they seriously hurt his business.

57. He must consider all the parts of his business every day. The financial side of his business is important, but it is not the total business picture.

58. The other parts of the business picture -- operations, personnel, and marketing -- are equally important.

59. The financial records tell how money is being used by the business. Money is vital to the life of a company. But without people and ideas, money cannot make a company successful.

60. This film was prepared for the Bureau of Occupational and Adult Education, Curriculum Center, U.S. Office of Education, through a grant to the National Business Education Association.

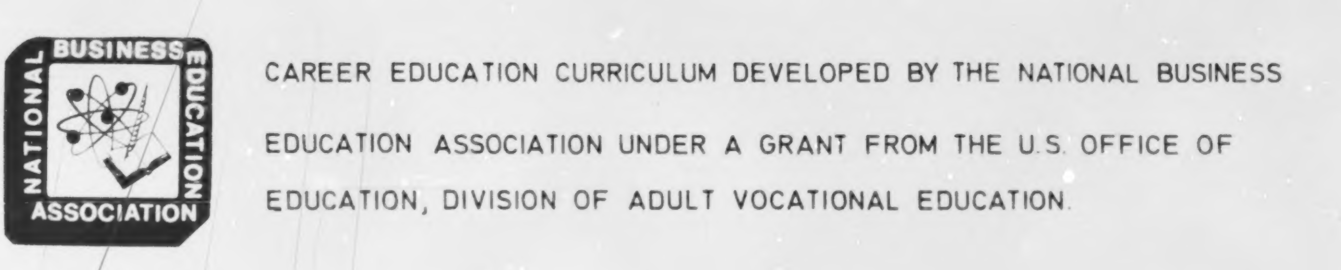
BOUTIQUE
BAKERY
SHOES
WAREHOUSE
HARDWARE STORE
DOCTOR
TRADE SCHOOL
BOOKS
JEWELERY

BUSINESS OWNERSHIP & MANAGEMENT

APPENDIX D: ANCILLARY MATERIALS - READING

APPENDIX E: ANCILLARY MATERIALS - MATHEMATICS

CAREER EDUCATION CURRICULUM DEVELOPED BY THE NATIONAL BUSINESS EDUCATION ASSOCIATION UNDER A GRANT FROM THE U.S. OFFICE OF EDUCATION, DIVISION OF ADULT VOCATIONAL EDUCATION.


AUTO REPAIR
NEWSSTAND
PLUMBING
M&G Co
BARBER
FARM SUPP
GROCERY
Florist

APPENDIX D

Ancillary Materials- Reading

SECTION I

Need for Curriculum

In a typical American classroom, there are three or four potential business owners. They may be college-bound students studying any of the disciplines from the arts to the sciences. They may also be found in vocational courses: potential hairdressers, technicians of all types, salespersons, printers, or welders. They have backgrounds as varied as the types of businesses they will own.

In 1968, the U.S. Census Bureau listed 9 million proprietorships, 900 thousand partnerships, and 1.5 million corporations, a total of almost 12 million businesses. Most of these businesses are small; a large number of them realize net income of less than $10,000 per year. But large or small, they are a vital part of American life.

The owners of these businesses represent a true cross section of the American population. In education, they range from persons holding Ph.D. degrees to those who never finished high school; in fact, some never got to high school. (This last group represents a sizable proportion--37 percent of business proprietors in 1960.) In background, they range from those who were born into wealth to those who were born into abject poverty. They are not only a part of the urban and suburban population but of the rural and small-town population as well. Three million of them are farmers.

Statistics compiled by Dun and Bradstreet indicate that 34.3 percent of those who go into business fail within the first three years, mostly as a result of lack of preparation for their business ownership roles. An understanding of the requirements, problems, concerns, and techniques of business ownership is as vital to success in this area as it is in any other occupation. Only through formal education can this knowledge be acquired with any degree of certainty, and only in this way can the percentage of failures of new businesses be reduced.

Because of the need to awaken young people to the wide variety of ownership careers available and to create the necessary resource material for this type of education, the Bureau of Adult and Vocational Education of the U.S. Office of Education awarded the National Business Education Association a grant to develop a business ownership and management curriculum to be used at the prevocational and exploratory levels (grades 7-9). The goals of the curriculum are to make the students aware of the problems that business owners must solve, the means available for finding solutions, the demands on business owners, and hopefully, the rewards that come from a job well done.

In developing the curriculum, the project staff has taken into consideration the fact that the students for whom this material is intended have little experience in the adult world. They are limited in what they can absorb and have a limited ability to deal in abstractions. In many cases, they need to be drawn into class participation; they need to find some reality in what they are discussing and dealing with.

In order to fulfill the proper goals, information is conveyed to the student through a combination of teacher, text, and audiovisuals. The audiovisuals--four sound filmstrips--are the principal conveyers of factual information in the course, and these are backed up by ancillary materials. (This reversal in traditional instructional procedure was decided upon because it deemphasizes reading.)

Pre- and posttests, quizzes to go with the filmstrips, and ancillary materials in mathematics and reading have been included. The ancillary materials are designed for use in classes other than the one in which the basic curriculum is presented.

Curriculum Overview

The curriculum for seventh and eighth grades has been designed to be covered in 11 consecutive class sessions, each approximately one hour in length. However, if the class period is appreciably less than 60 minutes, the curriculum is sufficiently flexible to be spread over a longer time period.

The lesson plans permit reinforcement of the information presented in the filmstrips. This is particularly important for students with limited vocabulary and mathematics skills.

Filmstrip No. 1, The Business Owner, introduces the student to the possibility of business ownership as a career and briefly touches on the various types of responsibility involved.

Filmstrip No. 2, Marketing, introduces the concept of marketing. It discusses methods of advertising and selling, the rationale behind market research, sales projections and forecasting, and the concepts and principles of regulating inventory. It also deals with pricing, the effects of supply and demand, and the concept of the break-even point.

Filmstrip No. 3, Personnel, outlines the criteria for selecting a work force, assigning tasks, and delegating responsibility. It identifies the types of rewards sought by employees, the major types of compensation, and the criteria for determining such compensation. The filmstrip also reviews the reasons for work rules and policies.

Filmstrip No. 4, Financial Management, explains the concept that every business problem is related to a financial problem. It defines assets and liabilities and how to differentiate between the two. It identifies and explains the most important profit-related ratios and fixed and variable costs. It discusses cost control, monthly cash requirements, budgeting, and projections. It also identifies three money sources and describes how to read a simple balance sheet.

The core curriculum is scheduled for use in the social studies class. However, in order to enhance the depth of learning possible, ancillary materials have been designed for use in other classes. Special stories about business owners and their problems have been prepared for use in language arts or reading classes. The following lesson plans suggest approaches for use with each piece of material.

Stories, case studies, and application blank sample are enclosed, following the series of lesson plans.

SUBJECT: Business Ownership and Management Reading

MAJOR EMPHASIS: Business ownership as a career choice.

OBJECTIVES: To become aware of businesses and the personal element involved in business ownership and to develop awareness that special talents can lead to particular ownership roles.

GENERALIZATION: Self-awareness is important in choosing the right career.

REQUIRED MATERIAL: Superior Signs Incorporated

TEACHING STRATEGIES:

Read aloud the vocabulary words listed at the beginning of the story, and explain the meaning of each.

If the reading level of the class is poor, either read the story aloud or have the students read aloud. Stop frequently for discussion. Approximately half of the story should be covered the first day and half the second day.

Average ability groups may read the story silently.

As the story is read, or at the conclusion of the story, discuss the personality of Daniel Hill:

1. Why do you think Mr. Hill was often fired from jobs?
2. Why would a community create and sponsor a company like Troton Economic Development, Inc.?
3. Do you think Mr. Hill's business goals were good ones? Why?
4. Why did the bank put liens on the equipment it financed?
5. Should the bank have made Mr. Hill accept help with his company as soon as he began to turn down jobs? How do you think Mr. Hill would have reacted?
6. What were Mr. Hill's biggest problems?
7. Do you think that investing money in a company gives a bank the right to try to tell the owner how to run his business?
8. How do you think Mr. Hendricks felt when Mr. Hill did not trust him? Do you think Mr. Hendricks could have done anything to make the relationship work better?
9. When should a person begin to recognize his own strengths and weaknesses?

10. Why is it good to recognize your weaknesses?
11. Can all weaknesses be overcome? Should they?
12. Did Mr. Hill know his strengths and weaknesses? What clues did the story give?
13. Did the bank recognize Mr. Hill's strengths and weaknesses?
14. Why is it important to know the strengths and weaknesses of your employees?

APPLICATION: Correlate basic business knowledge with self-awareness.

EVALUATION: Discuss the people and problems in the story in terms of the story itself and in terms of real-life situations.

SUBJECT: Business Ownership and Management Reading

MAJOR EMPHASIS: Advertising methods and medias in relation to business

OBJECTIVE: To compare advertising media and methods.

GENERALIZATION: Advertising methods and needs vary from one business to another.

REQUIRED MATERIAL: Information from local television, newspapers, radio, yellow pages, and billboards regarding rates for advertising, number of people reached, etc. Assorted magazines, newspapers, flyers, direct mail pieces, the yellow pages, etc.

TEACHING STRATEGIES:

Discuss the following questions:

1. Why does a business advertise?

2. What kinds of businesses do not advertise? Doctors, lawyers, clinics, hospitals, specialized services.

3. If you are in a strange town and become ill, how can you find the name of a doctor?
   In addition to asking someone, you can look in the yellow pages.

4. Do all businesses advertise to reach the same people? Does a record shop want to reach the same people as a shop that sells building materials? Why?
   The record shop sells mostly to younger, individual buyers. The building material supplier sells to contractors and other people in the building industry.

5. How does a business know where to advertise?
   It can do market research to find out where its market is and what types of advertising will reach its audience.

6. If you were doing market research, what kinds of questions would you ask?

7. Suppose you developed a new food product. How would you "test market" it?
   You could start by setting up a booth in a busy area such as a supermarket and offer a free taste sample. Ask for opinions from those sampling the product.

Discuss the varying rates for different kinds of advertising media. Discuss why the costs vary (number of people reached is the primary reason).

Discuss the following questions:

1. Is the media that reaches the most people always the best one for a business?

2. What reasons can you think of for using newspapers instead of television?

3. Decide what kind of advertising these 10 businesses might use:

    Drs. Malone and Chen Clinic
    Howard Building and Supply
    Baker's Restaurant
    Wilma's Corner Grocery
    Hertz Car Rentals
    Nationwide Chain of Motels
    Jay's Restaurant Supply
    Betty's Pet Shop
    Didactic Publishers
    Davis Animal Drug Supply

4. Discuss how mail-order houses work.

Assign students to write letters to journals, magazines, television stations, etc. to find out about advertising rates and the audience reached.

APPLICATION: Assess advertising media and methods for different types of businesses.

EVALUATION: Identify local business advertising media and discuss the purposes served by each.

SUBJECT: Business Ownership and Management Reading

MAJOR EMPHASIS: Market research in relation to planning a business.

OBJECTIVE: To become familiar with marketing procedures.

GENERALIZATION: Market research helps a business keep up with trends.

REQUIRED MATERIAL: Pencil and paper.

TEACHING STRATEGIES:

Explain to class members that they are going to play two roles. The first will be that of a consumer, and the second will be the role of the marketing department of a business.

Ask if anyone has ever bought anything in a box that had a card with questions tucked inside asking the buyer to answer certain questions and return the card to the company that made the product. If some of the class have seen cards like this, ask them if they remember what the questions were. Write the questions on the chalkboard. Typical questions might be:

(1) How did you learn about the product? __TV __radio __newspaper __magazine __friends.

(2) Where did you buy the product? __department store __jewelry store __discount store.

(3) Why did you buy the product? __for yourself __as a gift.

(4) What is your age? __under 18 __18 to 25 __25 to 35 __35 to 50 __over 50.

The cards also ask for name and address and sometime offer a free gift for filling out and returning the card.

Discuss each of the questions. Help the students understand why the various questions are asked.

Next, have the class assume the role of a marketing department for a record company. The record company plans to sell its records in a new area and needs to know the following: where to display the records in order to get the most sales, who buys the most records, how much to charge for the records, and whether people buy records because of the artist, the album cover, or other reasons. Have the class decide what questions they can ask people who buy records to find out this information. Among the questions should be:

(1) What was the record album you bought?

(2) Where did you buy it (name the store)?

(3) How much did you pay?

(4) Why did you buy that album?
__price __cover __artist __other

(5) What is your age?

As the class selects their questions, write them on the chalkboard. Have the students write their answers to those questions on a sheet of paper. Collect the papers, and with the students' help, make a tally of the answers and write them on the chalkboard. From these answers, ask students what conclusions they draw for the new record company.

1. Where are most records sold?
2. What is the price usually paid?
3. How old was the group sampled?
4. What was the deciding factor in buying a record?

Explain that market research is one of the functions performed by a business in order to keep up with what people want, to put their product in the right place to maximize sales, to discover who buys their product, to determine where to advertise, and so on.

APPLICATION: Understand the concept of market research and its benefit to business.

EVALUATION: Conduct a market research survey by role-playing both as a consumer and a business owner.

SUBJECT: Business Ownership and Management Reading

MAJOR EMPHASIS: Personality responses to ownership.

OBJECTIVES: To become aware of the difference in personal responses to the challenge of ownership and different work situations.

GENERALIZATION: Different personalities may respond to work conditions and challenges in different manners.

REQUIRED MATERIAL: Business Protection Corporation

TEACHING STRATEGIES:

Read aloud the vocabulary words listed at the beginning of the story, and explain the meaning of each.

If the reading level of the class is poor, either read the story aloud or have the students read aloud. Stop frequently for discussion. Approximately half of the story should be covered the first day and half the second day.

Average or above-average ability groups may read the story silently.

As the story is read, or at the conclusion of the story, discuss the following:

1. What are some of the basic differences in the personality of Daniel Hill of Superior Signs, Inc. and that of Howard Coleman of Business Protection Corp.?
2. Mr. Coleman obviously had some strong feelings about being black. Do you think his experiences as an owner reinforced his feelings or changed his mind?
3. Why didn't Mr. Coleman set up the training school for lab technicians?
4. How does closed-circuit television work? Why do stores use it?
5. What is a franchise operation?
6. Why didn't Mr. Coleman hire a secretary as soon as he started his business?
7. Why is the location of a business important?
8. Why did Mr. Coleman hire only part-time help the first year he was in business?
9. What do you think Mr. Coleman's chances are for success?

10. Do you think Mr. Coleman learned to recognize his own strengths and weaknesses?

11. Do you think Mr. Hill learned from his mistakes?

12. Did anything happen in the story that showed Mr. Coleman learned from his mistakes?

APPLICATION: Begin to reflect an insight into the importance of self-awareness.

EVALUATION: Discuss the story, answer questions, and articulate reasons for the answers.

SUBJECT: Business Ownership and Management Reading

MAJOR EMPHASIS: The role of communication and interpersonal relationships in business.

OBJECTIVE: To explore the role of communication and interpersonal relationships in business.

GENERALIZATION: Effective communication is necessary when dealing with people, whether in business or in personal transactions.

REQUIRED MATERIAL: Case Studies 1, 2, and 3.

TEACHING STRATEGIES:

Discuss the importance of effective communication. Ask if anyone has ever been in trouble because of something he thought he was told. Did anyone ever get angry with a friend over a misunderstanding. Point out that things aren't always what they seem. Different people can look at the same scene and see it in different ways. Since people see things differently, it is often difficult to communicate effectively with others. In business, just as in personal relations, effective communication is vital.

In the case studies, problems have developed between people. If they don't resolve their problems, the business will suffer. In each of these cases, someone may quit his job or be fired.

Read the first case study aloud. Discuss the point of view of each of the people involved. Get the students to relate these case studies to their own lives. When the class has a clear understanding of the problem, ask them to discuss ways the problem may be solved. Have class members assume the roles of the people in the case study, role-playing several different solutions.

Follow the same procedure with Case Study No. 2 and No. 3.

After discussing the three case studies, ask the students to make up two case studies of their own. More capable classes may be asked to write out their case studies; other groups may develop their case studies orally.

APPLICATION: Relate the concepts of effective communication to business and personal success.

EVALUATION: Discuss problems presented and articulate reasons for responses.

SUBJECT: Business Ownership and Management Reading

MAJOR EMPHASIS: Integration of the business community into the course of study.

OBJECTIVES: To gain an overview of business ownership and management and the many types of businesses and to relate this to the local business community.

GENERALIZATION: Different people view business differently.

REQUIRED MATERIAL: Guest speakers from the business community.

TEACHING STRATEGIES:

Arrange for some local business owners and managers to visit the class and talk about their experiences. Four to six should be asked for each class period. Both older and younger persons should be sought out. Include managers of franchise operations as well as owners of other types of businesses, such as owners of shops that were an outgrowth of a hobby (such as needlepoint or knitting shops). Make a special effort to include women and minority representatives.

Have each owner or manager tell about the work which he does. Ask them to include in their discussion the things they like best about ownership or management. At the conclusion of each presentation, encourage the students to ask questions. Some questions which should be brought out are:

1. When he was a child, what did the speaker plan to be when he grew up?
2. When did he first decide that he wanted to be an owner or manager?
3. If he is a manager today, would he like to be an owner some day? If not, why? If so, what is he doing to help meet that goal?
4. What was the hardest part about his job when he started out? What is the hardest part now?
5. What would have helped him the most when he started? Would training have made a difference?
6. How important is education to an owner or manager? What kind of education does he need?
7. Is his management style formal or relaxed? That is, does he deal with his employees on a first-name basis or not? Is most information given verbally or on paper?
8. What does the speaker list best about his job? Has this always been the case?
9. Have things always gone well in the business?
10. What does he dislike about his job?
11. If he could change anything about his job or his business, what would it be?

APPLICATION: Assess the local business community in terms of personal career goals.

EVALUATION: Ask realistic questions of the speakers and discuss and compare the different views expressed.

SUBJECT: Business Ownership and Management Reading

MAJOR EMPHASIS: Procedures for requesting job interviews.

OBJECTIVE: To become familiar with proper techniques in requesting a job interview.

GENERALIZATION: There are proper ways to request a job interview.

REQUIRED MATERIAL: Want ads, Teletrainer kit.

TEACHING STRATEGIES:

In most parts of the country, the telephone company makes a Teletrainer kit available on request. This kit includes two telephones and a transmittal system that permits the conversation to be heard either through the telephone only or loud enough for the whole class to hear. An extension cord permits one participant to be outside the room and talk by telephone to another participant inside the room.

Have the students read the ads in the want ad section of the newspaper. The students may require assistance in learning the abbreviations used.

Have the students select a job for which they will "apply." Initially, the instructor should play the role of the business person who answers the phone. Students, using the other phone on the Teletrainer, "call" and ask for an appointment. A variety of responses should be given, including: "The job has been filled," "You must fill out an application first," etc. When the group has settled into the routine, a student may play the role that the instructor has been playing.

As homework, have the students ask at least two adults to tell about job interviews they have had.

APPLICATION: Recognize the necessity for knowing the proper procedures for requesting job interviews.

EVALUATION: Perform realistically in the interview situation and discuss proper techniques for requesting a job interview.

SUBJECT: Business Ownership and Management Reading

MAJOR EMPHASIS: Written applications for jobs.

OBJECTIVE: To obtain experience in filling out job application forms.

GENERALIZATION: The application form provides the prospective employer with information about the applicant.

REQUIRED MATERIAL: Application forms

TEACHING STRATEGIES:

Discuss how people learn about jobs. Ask students to identify the first step in trying to get a job once a person has found out about it. After contact is made with the business that has the job opening, an individual will be asked to fill out an application.

Explain the reason for an application, that is, to provide the prospective employer with information about the applicant that is both personal and professional--his age, address, telephone number, education, and work history. Explain how the application is used in the interview to help trigger questions.

Pass out the application forms. Explain each question and have the students fill in as much as they can. Point out the importance of neatness and following directions. Discuss the questions, especially how to describe their experience. Keep the completed application forms for Lesson 11.

APPLICATION: Recognize the importance of accurately completing an application form.

EVALUATION: Fill out application forms correctly and discuss their purpose.

SUBJECT: Business Ownership and Management Reading

MAJOR EMPHASIS: Job interviews as an important factor in obtaining a position.

OBJECTIVE: To obtain experience in the job interview process.

GENERALIZATION: The interview is a basic part of getting a job.

REQUIRED MATERIAL: Completed application forms.

TEACHING STRATEGIES:

Explain that the interview is a basic part of getting a job. Role-playing is one device that can be used to prepare the student for the job interview. The teacher should be aware that the age and experience of the group will affect the quality of role-playing, but a basis of understanding can be laid.

Discuss the importance of good grooming and promptness for the interview. Begin with the instructor playing the role of the interviewer. The students should be "applying" for jobs with which they are familiar. If possible, ask a personnel counselor to speak to the class and then participate in role-play.

In some of the role-playing, the person portraying the interviewer should behave rudely, or in some fashion contrary to the expected behavior of an interviewer. Students should recognize that not all interviewers are good at interviewing.

When guest speakers are used, they should be asked to discuss the kinds of jobs they have in their firms and what they look for in an employee. They should talk about the importance of the impression people give in an interview.

If possible, every student should have a practice interview.

APPLICATION: Recognize the importance of the interview in obtaining a job.

EVALUATION: Respond with understanding in interview situations.

STUDENT WORKSHEETS

READING

SUPERIOR SIGNS INCORPORATED

Vocabulary

business opportunities
corporation
economic development
estimated
financing
foreman
franchising
income
incurred
invested
liability
liens
light industrial
management
managerial
mass-produce
minority community
mismanagement
personal guarantee
quality
sales volume
self-employed
sharecropper
specialty
temperamental
venture
zoning requirements

Daniel Hill could paint a great sign. Those who worked in the sign-painting trade thought that he was one of the best. Customers were always pleased with the quality of his work.

Mr. Hill was very proud of his sign-painting ability, and he liked to talk about how good he was. In fact, it would be true to say that he bragged about it. He looked down on other sign painters whose work was not as good as his. Another thing about Mr. Hill was that he would not listen when customers told him how they wanted their work done. He thought the only opinion that mattered was his own when it came to painting signs. To him, the product of his work--the sign--was the only thing of any importance. Everything that went into making one of his signs had to be perfect--the finest paints, materials, and equipment. Even the place where he worked had to be very attractive. He was a temperamental man.

Born in South Carolina in 1932, Daniel Hill was one of 12 children of a black sharecropper. He quit school after the fifth grade in order to help on the farm. Later he went to work for a sign painter and began learning the trade. During the 14 years he worked in the business, he was self-employed much of the time. His reason for working alone was simply that it was the only way he could get work at all. Whenever he went to work for someone else, he was eventually fired.

He thought the reason his own business ventures failed to make money was because of bad luck or because the local government and business community did not like him. Actually it was his own personality that caused most of his troubles. He was always going to court for one reason or another. He refused to meet the zoning requirements of the city. He would not pay for the necessary licenses for his business. He would not even buy a license for his company truck. His history is one of bad business management and difficulty in getting along with others.

In 1967, Daniel Hill moved from South Carolina with his wife and four children. They moved to Troton, a Northern city of about 300,000 people. He had heard that in Troton a black person could get financial help to go into business. He got a job right away. In the 18 months that followed, he was fired by three sign-painting companies. In spite of this, he was still able to find the money he needed to open his business.

Mr. Hill's choice of Troton to start a business was a good one. The city was committed to making opportunities available to members of the minority community who wanted to open their own businesses. Direction was provided by its most important business leaders. In 1968, the business community in Troton started an economic development corporation, Troton Economic Development, Incorporated. From the initials, the group was called TED. TED was to assist members of the minority community who wanted to go into business for themselves. TED and the community were eager to help minority people who had business plans that looked good.

Mr. Hill went to TED for help in starting his new business. He outlined his plans and told them his goals. These goals were: (1) to sell specialty custom signs to the big buyers in the state, such as the large manufacturing firms, (2) to contract with the federal government to provide signs, and (3) to provide nationwide mail order service and to franchise local sign-painting shops.

TED approved Mr. Hill's application. They helped him to apply to the Troton National Bank for a loan. The total amount of financing needed at that point was estimated at $100,000. TED agreed to lend $20,000 on Mr. Hill's personal guarantee. The Trotan National Bank was also interested in the effort to help minority community members get into business. They accepted the recommendations of TED and agreed to lend the balance of the needed funds to Mr. Hill. The bank accepted Mr. Hill's guarantee, and as the only security, they put liens on the equipment they financed. The bank felt it needed to do this so that they could get some of the money back if Mr. Hill's business failed.

The bank decided to give Mr. Hill the funds as he needed them. Mr. Hill was to bring in the bills for each expense as it was incurred. They would not decide on the final terms for repaying the loan until the total financing package was completed. In the meantime, each bank loan was to be made on a demand basis with no repayment date set. A demand basis means that the bank can ask for its money to be paid any time that it feels it is necessary. Mr. Hill himself did not put up any money.

The first loan came to about $30,000. Mr. Hill started his business in December 1968, and it was incorporated as Superior Signs in 1969. With the approval of TED and the bank, he bought a small run-down shop in a light industrial area. He started to buy high-quality specialty equipment. He then began to redo and enlarge his shop. He hired an electrician, a sheet metal worker, and two secretaries, in addition to his father-in-law. He set his own salary at $1,500 a month. Meanwhile, TED announced his opening. Cooperating businesses provided a great deal of free advertising. Almost right away, Mr. Hill started to receive calls for a variety of painting jobs.

To everyone's surprise, Mr. Hill turned down nearly all of the orders he received. He did not think he was ready to take on the few large orders he was offered. Not all of his equipment had been installed; cleaning up and enlarging his office had not been finished. He also turned down the small orders. He felt they were so small that they were not important enough for someone like him to do. The few orders he did accept were more or less forced on him. He took them unwillingly. Near the end of the first year, the bank and TED reviewed the situation. The bank had loaned Mr. Hill $84,000 and TED had loaned him $20,000. Superior Signs had done less than $39,000 in business. It did not seem that its sales volume was going to grow much bigger in the near future. The shop was very crowded and messy. Redoing and enlarging the shop were far from finished. Expensive specialty equipment was sitting unused. Mr. Hill was trying to get more loans to buy still more equipment. The company had continuing personnel problems. Most of the personnel problems resulted from Mr. Hill's inability to direct his employees. In addition, many TED people were discouraged and unhappy over Mr. Hill's poor management and judgment.

The bank took action by cutting off its funds. Then Mr. Hill's business could not buy anything else. The bank tried to put management talent into the business. They selected Joe Hendricks, a black man with sign-painting experience and some managerial ability. The bank got Mr. Hill to agree to let Mr. Hendricks work in the business with him. However, Mr. Hill did not want to agree, so he did not cooperate.

Mr. Hendricks tried to show Mr. Hill how to set up policies and procedures for his business, but Mr. Hill was very resentful and thought the new man was a spy. The bank decided that Mr. Hill was too stubborn to accept help. In January of 1970, the bank told Mr. Hill that it was not going to give Superior Signs any more money. This move was also approved by TED.

Even though Mr. Hill's company had a terrible sales record during the first and second year of operation, he was shocked when his loan funds were cut off. He could not understand that because the bank and TED had invested $104,000 in him, they might be upset when expensive machinery was not used to create income.

Mr. Hill believed he was building a large sign-manufacturing operation. He was sure that it was going to mass-produce signs for customers all across the United States. He was not surprised or upset when the sales reached only $39,000 the first year. He had planned to spend up to two years getting ready to open. He thought that the bank loan should cover expenses until he reached the break-even point in his third year. He believed he would have a good chance in Troton, so he had decided that he would first "take the state" and then go national. He thought he could build a second manufacturing plant in the South and a third in the West. He had no question at all about where the customers would come from. He thought he would be able to get customers from all over because his work was so good.

Mr. Hill could not understand why others with an interest in his business did not believe as he did. He did not know what they expected of him or understand what they were looking for in his business. He was not even convinced that their loans give them a right to have a share in the management of the business. Mr. Hill and those who loaned him money had never reached a common understanding either about Superior Signs' objectives or how the business was to be run. It would have been better had they tried at the very beginning to work out their problems. They should have reached some firm agreement about how Mr. Hill should run the business.

Shortly after the bank cut off its funds, Mr. Hill gave up his job with the sign company. By doing so, he no longer had any liability to the bank or to TED to repay borrowed money. Superior Signs went out of business. The bank took possession of the equipment and the company was moved to a new location, where Joe Hendricks opened for business again.

BUSINESS PROTECTION CORPORATION

Vocabulary

area
billing
business protection corporation
client contact
enforcement
financial
financial security
franchise
guarantee
investigative
laboratory assistant
lease
liabilities
marketplace
medical technician
operations
performance bond
personal bonding
personal contacts
profit
protection
public relations
residential
security
sites
supervising
surveillance
withholding taxes
working capital

In the summer of 1966, Howard Coleman was 27 years old. He was living in Philadelphia, working for the U.S. Public Health Service as a research laboratory assistant. He received a job offer in the Southern town of Sutter. There he would be a research laboratory assistant at a major university. The pay would be higher, and he thought the research work would be more interesting.

Not long after Mr. Coleman started his new job, he realized that he was not happy. He did not want to work for someone else any longer. He felt that because he was black he would never be promoted in his job. Something else that might keep him from getting ahead in this kind of job was his lack of education. He had two years of junior college and had also taken a two-year medical technician's course. He felt that unless he studied at a university and got a professional degree he would not go very far in his new job. He thought these things over very carefully and finally decided that he would be better off owning his own business. It seemed the only way he would be happy at his work and still make a good living. He also felt that a black man did not have much chance for success unless he could be his own boss.

Mr. Coleman's education and work history were in the area of health services. He thought about setting up a school to teach laboratory technicians. He knew it would take a great deal of money to buy the equipment he would need for teaching. He decided that he could not afford to start such a school.

Mr. Coleman was also interested in detective work. While he had been in school in Philadelphia, he had worked as a reserve policeman. When he came to Sutter, he had another chance to work at law enforcement. He was asked to help set up a local office for a national detective agency. He helped the agency look for office space and interview people for jobs. However, the agency gave up and the office was never opened. When this happened, Mr. Coleman decided that this could be a good opportunity for him. He wanted to open a business that would use some of his experience and interest in police and investigative work. A business security and protection service looked like a good idea.

No one had ever opened a service business of this kind in Sutter. If a business needed a guard, a full time worker was hired. If a business had a special problem, one or more people were hired for a short time until the problem was resolved. Mr. Coleman knew that he would have to sell people on the idea of his service.

Mr. Coleman asked the advice of many people, both blacks and whites. All but one told him they did not think he could succeed. That one person, a white man, told Mr. Coleman that there was a need for what he had to sell. He agreed that some people might not hire Mr. Coleman because he was black, but most people, he thought, would be interested only in whether his business would do a good job. Mr. Coleman then went to the local police department and asked the police chief what he thought. The police chief did not think anyone would want to buy protection or a security service.

Mr. Coleman thought over all these opinions. He decided to go ahead and try, even though most people did not think he could succeed. He opened the Business Protection Corporation in March 1967.

The company sold the services of guards, watchmen, and security equipment. Closed-circuit television is one kind of security equipment that many stores now use. The closed-circuit camera takes pictures of what goes on in the store. It helps the banks catch robbers, and stores catch shoplifters. Mr. Coleman's new business provided such protective systems and also offered detective services if they were asked for.

Mr. Coleman decided that the best way to sell his service was through personal contacts. He planned to call on businesses and companies that needed security services at their warehouses, construction sites, and office buildings. There were few black-owned companies in Sutter at that time, so Mr. Coleman would have to convince white businessmen to make his company succeed.

Mr. Coleman quit his job at the university and used his savings of $1,800 to open the business. Since his wife was working, her salary would help pay the rent and buy the food and clothing needed for a family of three. When he began, he did not have any guarantee that anyone would buy his service. He believed, though, that it could grow fairly quickly in the first year. He hoped he could sell up to $30,000 in services and planned to take a salary of $5,000 to $6,000. Mr. Coleman did not understand very much about business. He did not even know what profit was. Since he did not know about it, he did not expect to make any. He believed that some day his business would expand throughout the state. He dreamed that some day he might sell franchises throughout the country.

Mr. Coleman made arrangements to share a downtown office with a Justice of Peace. He rented desk space and had use of a telephone for only $12.50 a month. Although the office was not fancy, it was in a good location downtown. Mr. Coleman did not have any employees at first; when he needed a letter typed, he paid the office secretary 25¢ to type it.

Within 30 days, Mr. Coleman had his first contract. He bought a security guard's uniform, and he himself served as the guard at a downtown motor hotel. Mr. Coleman worked at the motor hotel at night and, in the daytime, found time to make other sales. During the first six months he was in business, he worked very hard and got other contracts. He then decided that it was time to find his own office space, so in September 1967, Business Protection Corporation moved.

The new office was on the second floor of a two-story brick building in a lower-income residential and business area. The area's population and trade were mostly black. Mr. Coleman did not think about the effect this might have on his new business. Instead, he went along with people in the black community who thought he should put his business in a black neighborhood. After he was there a short time, he found that the location was not good for him. Many business people did not want to come to where his office was located, so he began to look for a location that would attract business.

The new place did not have to be in the center of the city, but it had to be easy to get to from downtown. Mr. Coleman wanted to be in a section that was attractive and growing. After the mistake of locating in a rundown section, he realized the importance of a good business location.

Mr. Coleman looked around for office space. He found what he wanted in a large shopping center just at the city limits. Although it was four miles from downtown Sutter, it was easy to get to. He asked the people at city hall what plans there were for the area, and they told him this location met his needs. With the growth in his business, he could now afford the monthly rent of $350. Up to this time Mr. Coleman had not hired any permanent employees, but used only part-time help as it was needed in order to keep his costs down. Although sales during the first year reached $25,000 (only $5,000 less than had been anticipated), the company was not making a profit. After the move, the Business Protection Corporation continued to grow. Sales during the second year doubled, but still Mr. Coleman did not make a profit.

In 1969, Mr. Coleman needed money to expand his business. He was told that the Small Business Administration offers loans to businesses, and that sounded like a good idea to him. He applied to a local black bank for an SBA guaranteed loan and, in November of that year, received $14,000 from the bank. The loan carried a 6 percent interest rate to be paid back over a 10-year period. This money enabled Mr. Coleman to increase the operations of the business. Sales for the first eight months of 1970 were over $50,000, and Mr. Coleman believed that $80,000 could be reached by the end of the year. He thought his company would show a profit for the first time. He raised his own salary to $1,000 a month.

By this time, there were 38 employees of the Business Protection Corporation, 10 of them full time. Most of the uniformed security force worked on a part-time basis, since they work only when they are required by the businesses that buy the service. All uniformed employees received three hours of classroom instruction each week for the first four months. Mr. Coleman developed this training course himself. The new workers were taught public relations, the laws of arrest, first aid, fire fighting, and how to use weapons. Police training films were shown periodically.

In January 1970, Mr. Coleman hired a white man as chief of his security force. The chief oversees the men and does the training, in addition to some of the client contact and public relations work.

The third person in command of the company is a lieutenant, also white, who has been with the company since early 1969. The lieutenant is in charge of on-the-job training, installing equipment such as closed-circuit television, and setting up work schedules. The only other employee, besides security guards, is a secretary.

Mr. Coleman feels that it is important to have both blacks and whites on his staff. Some clients have asked for white guards only. However, although some things like this happen, most of Mr. Coleman's experiences have been good ones. He has been able to show that black business is reliable in the protection services field. The company has had some racial problems. Some people were interested in doing business with the company until they found out that is was black owned.

Mr. Coleman also has some problems because his business is small. He has tried to get large contracts with the U. S. Government to provide protection services. However, because his business is a small one, he has not been able to get performance bonds from a bonding company. Although he tried bonding companies all over the United States, Canada, and England, he was not successful in locating one that would help him. He has, however, been able to get the insurance and personal bonding required for security guards and for his staff. The cost, though, is high -- $5,000 per year. This provides bonding for all employees, liabilities and false arrest protection, fire and theft, and auto insurance on the two company cars. He wants to get "key man" insurance for himself, because he feels that this is important in protecting the financial security of the business. However, since he has personal health problems, no insurance company will sell him the insurance he needs.

Another problem of the Business Protection Corporation has been in finding good employees. Mr. Coleman can only charge a certain rate for his service, which means that he can only pay his employees $1.75 an hour. Each employee must have a high school education and must not have a police record. It is difficult to get qualified people to take what may be a dangerous job for only $1.75 an hour.

Mr. Coleman is not a good bookkeeper, so he decided to hire the services of a bookkeeping and accounting company for all of his accounting and tax work. They bill all of his clients and pay his own company's bills. The cost of this service is $106 per month. Mr. Coleman feels that it is money well spent. It gives him time to develop his business, and it keeps him from working at something at which he is not very good.

Mr. Coleman worries that he does not have enough working capital for his business. He plans to do something about this by trying to cut costs and increase sales. He has trouble keeping up with the withholding tax payments for his employees. Every three months, he must send the Internal Revenue Service the money that each employee has taken out of his salary for income tax. Mr. Coleman is usually two quarters, or two payments, behind and considers this a big problem. He hopes soon to find a business manager who can show him how best to run the business to make a profit. Mr. Coleman feels optimistic about the future. He believes that he has proved to the community that he offers a good service and that more companies will want to buy his service.

Mr. Coleman has not reached his original goal; however, he feels that he knows more about business operation and understands more about the marketplace. He wishes he had had training in business administration before he started his company. He feels that he has had to learn the hard way, but that he has learned well.

CASE STUDIES

1. Limits of Authority

Steve Russell recently changed jobs. He has had a great deal of experience in his line of work, but has never done this exact kind of work before. In the two and a half months he has been with this company, he has had to guess at what he is expected to do. His supervisor has not given him clear directions about his duties and responsibilities. He is worried because he does not know exactly how much authority he has. Even though he has these problems, Steve gets along well with his staff. However, he becomes concerned when he finds that he does not know the answer to a staff problem or question. He lacks knowledge about what he himself is supposed to do.

Many times Steve has tried to get his supervisor to tell him clearly what he is expected to do on the job. His supervisor is a busy man with a great many problems and often cuts Steve short without giving him the answer he needs. Steve often finds he cannot even see the supervisor, because he is either out of the office or has someone else in his office.

Steve is growing more and more unhappy in his work. He now feels that he must settle his problems for his own peace of mind, as well as to handle his staff properly. He feels that the office production is beginning to drop off, but since he feels personally responsible, he does not want to call anyone down for doing less than his best.

2. Office Tattler

Often when the boss, Jim Sanchez, looks up from his desk, he sees Walter Harris standing in the doorway. When Walt catches the boss's eye, he comes inside and spends several minutes talking. Sometimes he has important office business which needs the boss's attention. More often, he wants to talk about his fellow workers. For instance:

"She's such a polite girl; I can see why she doesn't tell Bob to stop spending so much time at her desk."

"I can't blame John for being late every morning. He has so many family problems that they get in the way of his work."

Jim has been very patient with Walt. He has tried to listen to him whenever he has asked for time. Lately, though, Walt is starting to take time Jim needs to spend on other things. Walt's own work suffers because he does not spend enough time on it.

One day Jim Sanchez overheard part of a conversation between two other workers:

"That fink Walter Harris was in the boss's office for about an hour this afternoon."

"Oh, yeah? Who was Harris trying to make trouble for this time?"

"Who knows? He'd cut up anybody to get in good with the boss."

"Well, it must be working. They're in there behind closed doors half the time."

3. Resentment

Linda Johnson has many years experience in secretarial work. Recently she was named office manager and is doing a good job. Her boss backs her up in her decisions; she feels she has a good working relationship with most of the staff. She is happy with her new job.

When Linda first came to her job, she tried very hard to make friends with everyone by being open and friendly. She tried to get to know each person.

One of the employees in her department is named Verna Campbell. Verna is always polite, but Linda feels she has never quite been able to make friends with her. Verna is a quiet woman, a few years younger than Linda, and has several friends in the office. During the four years she has worked in this department, she has done average work. She has progressed in her job at a normal rate, but has not shown any special talents. In the last few weeks, she has said a few things that Linda feels are close to being insolent. Yet Linda cannot be sure that she isn't imagining it.

Today, Linda gave Verna a simple typing job, about 10 pages long. When it was finished, Linda checked it for errors. She found several mistakes and gave it back to Verna for correction. Verna returned the typed papers to Linda with only a few of the errors corrected. When Linda pointed out the errors that were still there, Verna said angrily, "If you don't like my work, why don't you give it to someone else?"

APPLICATION FOR EMPLOYMENT

PERSONAL INFORMATION

DATE SOCIAL SECURITY NUMBER

NAME (LAST) (FIRST) (MIDDLE) AGE SEX

PRESENT ADDRESS (STREET) (CITY) (STATE) (ZIP)

PERMANENT ADDRESS (STREET) (CITY) (STATE) (ZIP)

PHONE NO. OWN HOME RENT BOARD

DATE OF BIRTH HEIGHT WEIGHT COLOR OF HAIR COLOR OF EYES

MARRIED SINGLE WIDOWED DIVORCED SEPARATED

NUMBER OF CHILDREN DEPENDENTS OTHER THAN WIFE OR CHILDREN CITIZEN OF U. S. A. YES ○ NO ○

IF RELATED TO ANYONE IN OUR EMPLOY, STATE NAME AND DEPARTMENT REFERRED BY

EMPLOYMENT DESIRED

POSITION DATE YOU CAN START SALARY DESIRED

ARE YOU EMPLOYED NOW? IF SO MAY WE INQUIRE OF YOUR PRESENT EMPLOYER

EVER APPLIED TO THIS COMPANY BEFORE? WHERE WHEN

EDUCATION	NAME AND LOCATION OF SCHOOL	YEARS ATTENDED	DATE GRADUATED	SUBJECTS STUDIED
GRAMMAR SCHOOL				
HIGH SCHOOL				
COLLEGE				
TRADE, BUSINESS OR CORRESPONDENCE SCHOOL				

SUBJECTS OF SPECIAL STUDY OR RESEARCH WORK

WHAT FOREIGN LANGUAGES DO YOU SPEAK FLUENTLY? READ WRITE

U. S. MILITARY OR NAVAL SERVICE RANK PRESENT MEMBERSHIP IN NATIONAL GUARD OR RESERVES

ACTIVITIES OTHER THAN RELIGIOUS (CIVIC, ATHLETIC, FRATERNAL, ETC.)

EXCLUDE ORGANIZATIONS, THE NAME OR CHARACTER OF WHICH INDICATES THE RACE, CREED, COLOR OR NATIONAL ORIGIN OF ITS MEMBERS.

LAST

FIRST

MIDDLE

(CONTINUED ON OTHER SIDE)

FORMER EMPLOYERS (LIST BELOW LAST FOUR EMPLOYERS, STARTING WITH LAST ONE FIRST.)

DATE MONTH AND YEAR	NAME AND ADDRESS OF EMPLOYER	SALARY	POSITION	REASON FOR LEAVING
FROM TO				
FROM TO				
FROM TO				
FROM TO				

REFERENCES: GIVE BELOW THE NAMES OF THREE PERSONS NOT RELATED TO YOU, WHOM YOU HAVE KNOWN AT LEAST ONE YEAR.

	NAME	ADDRESS	BUSINESS	YEARS ACQUAINTED
1				
2				
3				

PHYSICAL RECORD:

LIST ANY PHYSICAL DEFECTS

WERE YOU EVER INJURED? GIVE DETAILS

HAVE YOU ANY DEFECTS IN HEARING? IN VISION? IN SPEECH?

IN CASE OF EMERGENCY NOTIFY

NAME ADDRESS PHONE NO.

I AUTHORIZE INVESTIGATION OF ALL STATEMENTS CONTAINED IN THIS APPLICATION. I UNDERSTAND THAT MISREPRESENTATION OR OMISSION OF FACTS CALLED FOR IS CAUSE FOR DISMISSAL. FURTHER, I UNDERSTAND AND AGREE THAT MY EMPLOYMENT IS FOR NO DEFINITE PERIOD AND MAY, REGARDLESS OF THE DATE OF PAYMENT OF MY WAGES AND SALARY, BE TERMINATED AT ANY TIME WITHOUT ANY PREVIOUS NOTICE.

DATE SIGNATURE

DO NOT WRITE BELOW THIS LINE

INTERVIEWED BY DATE

REMARKS:

NEATNESS		CHARACTER	
PERSONALITY		ABILITY	

HIRED FOR DEPT. POSITION WILL REPORT SALARY WAGES

APPROVED: 1. 2. 3.

EMPLOYMENT MANAGER DEPT. HEAD GENERAL MANAGER

APPENDIX E

Ancillary Materials-Mathematics

SECTION I

Need for Curriculum

In a typical American classroom, there are three or four potential business owners. They may be college-bound students studying any of the disciplines from the arts to the sciences. They may also be found in vocational courses: potential hairdressers, technicians of all types, salespersons, printers, or welders. They have background as varied as the types of businesses they will own.

In 1968, the U.S. Census Bureau listed 9 million proprietorships, 900 thousand partnerships, and 1.5 million corporations, a total of almost 12 million businesses. Most of these businesses are small; a large number of them realize net income of less than $10,000 per year. But large or small, they are a vital part of American life.

The owners of these businesses represent a true cross section of the American population. In education, they range from persons holding Ph.D. degrees to those who never finished high school; in fact, some never got to high school. (This last group represents a sizable proportion--37 percent of business proprietors in 1960.) In background, they range from those who were born into wealth to those who were born into abject poverty. They are not only a part of the urban and suburban population but of the rural and small-town population as well. Three million of them are farmers.

Statistics compiled by Dun and Bradstreet indicate that 34.3 percent of those who go into business fail within the first three years, mostly as a result of lack of preparation for their business ownership roles. An understanding of the requirements, problems, concerns, and techniques of business ownership is as vital to success in this area as it is in any other occupation. Only through formal education can this knowledge be acquired with any degree of certainty, and only in this way can the percentage of failures of new businesses be reduced.

Because of the need to awaken young people to the wide variety of ownership careers available and to create the necessary resource material for this type of education, the Bureau of Adult and Vocational Education of the U.S. Office of Education awarded the National Business Education Association a grant to develop a business ownership and management curriculum to be used at the prevocational and exploratory levels (grades 7-9). The goals of the curriculum are to make the students aware of the problems that business owners must solve, the means available for finding solutions, the demands on business owners, and hopefully, the rewards that come from a job well done.

In developing the curriculum, the project staff has taken into consideration the fact that the students for whom this material is intended have little experience in the adult world. They are limited in what they can absorb and have limited ability to deal in abstractions. In many cases, they need to be drawn into class participation; they need to find some reality in what they are discussing and dealing with.

In order to fulfill the project goals, information is conveyed to the students through a combination of teacher, text, and audiovisuals. The audiovisuals--four sound filmstrips--are the principal conveyers of factual information in the course, and these are backed up by ancillary materials. (This reversal in traditional instructional procedure was decided upon because it deemphasizes reading.)

Pre- and posttests, quizzes to go with the filmstrips, and ancillary materials in mathematics and reading have been included. The ancillary materials are designed for use in classes other than the one in which the basic curriculum is presented.

SECTION II

Curriculum Overview

The curriculum for seventh and eighth grades has been designed to be covered in 11 consecutive class sessions, each approximately one hour in length. However, if the class period is appreciably less than 60 minutes, the curriculum is sufficiently flexible to be spread over a longer time period.

The lesson plans permit reinforcement of the information presented in the filmstrips. This is particularly important for students with limited vocabulary and mathematics skills.

Filmstrip No. 1, The Business Owner, introduces the student to the possibility of business ownership as a career and briefly touches on the various types of responsibility involved.

Filmstrip No. 2, Marketing, introduces the concept of marketing. It discusses methods of advertising and selling, the rationale behind market research, sales projections and forecasting, and the concepts and principles of regulating inventory. It also deals with pricing, the effects of supply and demand, and the concept of the break-even point.

Filmstrip No. 3, Personnel, outlines the criteria for selecting a work force, assigning tasks, and delegating responsibility. It identifies the types of rewards sought by employees, the major types of compensation, and the criteria for determining such compensation. The filmstrip also reviews the reasons for work rules and policies.

Filmstrip No. 4, Financial Management, explains the concept that every business problem is related to a financial problem. It defines assets and liabilities and how to differentiate between the two. It identifies and explains the most important profit-related ratios and fixed and variable costs. It discusses cost control, monthly cash requirements, budgeting, and projections. It also identifies three money sources and describes how to read a simple balance sheet.

The ancillary materials developed for use in the mathematics class enable the student to explore more completely the financial aspects of business as they relate to operation, marketing, and personnel. The lessons are sequenced to coordinate with the core curriculum as it is presented in the social studies class: (1) Operations, (2) Marketing, (3) Personnel, (4) Finance. The Ancillary materials represent a variety of situations, including some from the employee's point of view.

This teacher's guide includes lesson plans and worksheets.

SUBJECT: Business Ownership and Management Mathematics

MAJOR EMPHASIS: Interest in relation to business.

OBJECTIVE: To become familiar with the method for computing interest.

GENERALIZATION: An understanding of the method for computing interest is essential in business.

REQUIRED MATERIALS: Worksheet No. 1, Finding the Interest.

TEACHING STRATEGIES:

Open a discussion about the need for cash in business. From student response, elicit information as to where that cash comes from (income from sales, loans). Point out that earned income does not carry an interest penalty. The total earned income can be applied against costs; however, when earned income isn't sufficient, the business must borrow money.

Discuss why lending institutions are in business. Point out that they make their profit by charging interest. Ask students if they think all business loans are repaid. Explain that interest rates are different from one bank to another. Usually, the bigger the risk in being repaid, the higher the interest rates.

Demonstrate how to figure interest. Give several examples.

Distribute Worksheet No. 1. Have students work the problems. Go over the problems together, with several students working out each answer on the chalkboard. Ask the class to decide which answers are correct.

APPLICATION: Recognize interest as an essential consideration in the operation of a business.

EVALUATION: Solve interest problems and understand the concepts used.

SUBJECT: Business Ownership and Management Mathematics

MAJOR EMPHASIS: Interest and financial decisions in relation to business and personal experiences.

OBJECTIVES: To obtain experience in figuring interest and to develop the ability to make informed decisions in transactions involving interest.

GENERALIZATION: The knowledge of interest rates is essential in business and in one's personal life.

REQUIRED MATERIALS: Worksheet No. 2, Interest Rates.
Worksheet No. 3, Buying a Rug

TEACHING STRATEGIES:

Review the method for determining interest. Hand out Worksheet No. 2, Interest Rates. Work the problems together, reviewing each before going on to the next. Discuss questions 8 and 9 as a group.

Hand out Worksheet No. 3, Buying a Rug. Point out the importance of consumer understanding of interest rates. Have students work the problems. Review the answers as time permits.

APPLICATION: Correlate the use of interest in business with decisions involving interest and credit in one's personal experiences.

EVALUATION: Solve problems and discuss the importance of decisions regarding interest rates.

SUBJECT: Business Ownership and Management Mathematics

MAJOR EMPHASIS: Price determination in a retail business.

OBJECTIVES: To obtain a basic understanding of the way prices are established.

GENERALIZATION: A businessman must consider many factors when setting the price on a particular item.

REQUIRED MATERIALS: Worksheet No. 4, Determining Price.

TEACHING STRATEGIES:

Open a discussion about the cost of goods in retail stores. Ask the students how they think the prices are arrived at.

Point out that the businessman must consider many things when he decides what to charge for an item:

1. How much did he pay the wholesaler for the item?
2. How much does it cost him to sell the item? (This includes a share of the rent, salaries, advertising, equipment, utilities, etc. Since it is impossible to fix the exact share for any given item, he uses an estimated percentage. Some items, such as jewelry, are marked up 100% or more.)
3. How much profit does he need to make? (Again, he uses a percentage--usually 10% or more.
4. How much will people pay for an item? (If he has to charge more than what is considered reasonable, people won't buy the product.)

Discuss the use of "loss leaders" as sales gimmicks to get people to come into the store. The marketing psychology is that the number of sales over and above the "loss leader" items more than makes up the loss on those items.

Hand out Worksheet No. 4, Determining Price. Go over the directions carefully. Have the students work the problems. Go over the answers together.

APPLICATION: Recognize the need for considering all factors in setting a realistic price.

EVALUATION: Solve problems on worksheet and discuss the concepts used.

SUBJECT: Business Ownership and Management Mathematics

MAJOR EMPHASIS: Advertising methods and media used to move merchandise.

OBJECTIVE: To become familiar with advertising, especially advertising budgets and promotional discounts.

GENERALIZATION: Advertising is useful in helping to sell a product or service.

REQUIRED MATERIAL: Worksheet No. 5, The Advertising Budget
Worksheet No. 6, Introduction to Discounts.

TEACHING STRATEGIES:

Discuss the various methods of advertising that are used to interest people in buying a product:

1. Newspapers
2. Magazines
3. Trade journals
4. Handbills
5. Direct Mail
6. Telephone soliciting
7. Yellow pages
8. Radio
9. Local television
10. National television

Remind students that advertising rates are usually based on circulation. National television obviously costs a great deal more than local television. A neighborhood newspaper doesn't charge as much as a citywide newspaper.

Tell students that newspapers, magazines, trade journals, and yellow pages charge by the line. Radio and television base charges on time. Handbills and flyers are examples of direct mail and entail the cost of printing and distribution. Telephone sales involve the cost of telephone service and the salary of the caller.

Discuss the need for and use of an advertising budget. Hand out Worksheet No. 5, The Advertising Budget. Go over the introduction with the students. Have them work the problems. Discuss the answers.

Discuss the use of clearance sales to move merchandise and the reason items are "marked down." Hand out Worksheet No. 6, Introduction to Discounts. Go over the directions and the example. Students may begin the worksheet and complete it as homework.

APPLICATION: Recognize the value of effective advertising.

EVALUATION: Solve problems and discuss some of the considerations involved in advertising budgets and discounts in business.

SUBJECT: Business Ownership and Management Mathematics

MAJOR EMPHASIS: Payroll and payroll deductions for employees.

OBJECTIVE: To become familiar with the alternative methods of establishing payment for work.

GENERALIZATION: The base of payment for employees and the types of deductions depend on the company, the type of work performance, and the employee.

REQUIRED MATERIAL: Worksheet No. 7, Payroll
Worksheet No. 8, Payroll Deductions

TEACHING STRATEGIES:

Review the four primary bases of payment for employees:

1. Hourly wage
2. Salary
3. Piece work
4. Commission

Work the problems on Worksheet No. 7 together.

Hand out Worksheet No. 8. Discuss the fact that certain deductions come out of the gross pay and that take-home (or net) pay is always less than gross pay. Discuss the various deductions.

1. Withholding tax (income tax for federal, state, and local)
2. F.I.C.A. (social security) (For F.I.C.A., the employer matches the amount deducted from the employee's pay.)
3. Union dues
4. Insurance (The employer pays part or all of the insurance. The employees may have to pay a part of the insurance.)
5. Payroll savings (This deduction is up to the employee. He doesn't have to save through payroll savings.)

Have the students work the problems. Go over the answers.

APPLICATION: Understand the reasons for different methods of computing wages and the various payroll deductions.

EVALUATION: Solve problems and discuss the bases of payment and the various deductions in payroll.

SUBJECT: Business Ownership and Management Mathematics

MAJOR EMPHASIS: Fringe benefits in relation to the employer and the employee.

OBJECTIVE: To become aware that fringe benefits are a cost to the employer.

GENERALIZATION: Fringe benefits vary according to position, employer, and employee.

REQUIRED MATERIAL: Worksheet No. 9, Figuring Direct Labor Costs

TEACHING STRATEGIES:

Review the fringe benefits that are a cost to the employer:

1. F.I.C.A. (employers must match)
2. Health and life insurance
3. Workmen's compensation
4. Unemployment insurance

Explain that in each instance the employer actually pays out money to a state or federal agency or to an insurance company.

There are three other fringe benefits:

1. Paid sick leave
2. Paid vacation
3. Paid holidays

If the employer has to hire someone else on a temporary basis to fill in while an employee is sick or on vacation or holiday, then the employer is really paying double--one salary to the regular employee who is out and one salary to the person who is taking the employee's place.

To introduce the worksheet, remind the students about the need for a budget so the businessman can see how much money he will need to meet his bills. A big part of that budget is the cost of paying his personnel and providing their fringe benefits.

Hand out Worksheet No. 9. Explain that the objective is to find the projected cost for a 12-month program.

Students may work together.

APPLICATION: Become aware of the advantages of fringe benefits to the employee.

EVALUATION: Solve the problems and discuss the advantages and disadvantages of fringe benefits for both the employer and the employee.

SUBJECT: Business Ownership and Management Mathematics

MAJOR EMPHASIS: Accounts payable in business.

OBJECTIVE: To recognize the various types of accounts that business has to pay.

GENERALIZATION: The type and amount of accounts payable vary with size and kind of business.

REQUIRED MATERIAL: Worksheet No. 10, Accounts Payable, Page 1.

TEACHING STRATEGIES:

Discuss the meaning of accounts payable. Have students discuss the kinds of bills that might appear in accounts payable for various businesses:

1. Doctor's office
2. Florist shop
3. Veterinarian's office
4. Service station
5. Restaurant

Hand out Worksheet No. 10, Page 1. Have students work the problems on Page 1 only.

APPLICATION: Recognize the various types of accounts payable in business.

EVALUATION: Solve the problems and discuss the concepts on the worksheets.

SUBJECT: Business Ownership and Management Mathematics

MAJOR EMPHASIS: Discounts in relation to accounts payable.

OBJECTIVES: To become familiar with the concept of billing discounts.

GENERALIZATION: Some businesses give a discount for early payment of bills.

REQUIRED MATERIALS: Worksheet No. 10, Accounts Payable, Page 2

TEACHING STRATEGIES:

Review answers to Accounts Payable, Page 1, Worksheet No. 10.

Hand out Worksheet No. 10, Page 2. Point out that it is a continuation of the work just reviewed.

Have students complete the problems and review them together.

APPLICATION: Understand the concept of discounts for early payment of bills.

EVALUATION: Solve the problems and discuss the concepts used.

SUBJECT: Business Ownership and Management Mathematics

MAJOR EMPHASIS: The calendarized budget in business.

OBJECTIVE: To become familiar with the concept of a calendarized budget for business.

GENERALIZATION: Keeping a calendarized budget can be of benefit to a business.

REQUIRED MATERIALS: Worksheet No. 11, Pages 1 and 2,
Figuring Development Costs

TEACHING STRATEGIES:

Review the various fringe benefits briefly and their impact on costs.

Review the employer's need for a projection of cash needs.

Hand out Worksheet No. 11, Pages 1 and 2, Figuring Development Costs. Have the students work the problems.

Review the problems together.

APPLICATION: Understand the need for and use of a business budget.

EVALUATION: Solve the problems and discuss the advantages of budgeting in business.

SUBJECT: Business Ownership and Management Mathematics

MAJOR EMPHASIS: Income in relation to figuring cash flow.

OBJECTIVE: To become familiar with the procedures of figuring income in relation to cash flow.

GENERALIZATION: An employer needs to know his expected monthly income as well as his anticipated expenses.

REQUIRED MATERIALS: Worksheet No. 12, Figuring Cash Needs

TEACHING STRATEGIES:

Review Worksheet No. 11, Pages 1 and 2. Point out that this budgetary projection does not include income. Ask students why an employer needs to know his expected monthly income as well as his expected expenses.

Hand out Worksheet No. 12, Figuring Cash Needs. Help students with directions and then have them work the problem. When all have finished, review the exercise completely.

APPLICATION: Understand business income in relation to expenses.

EVALUATION: Solve the problems and understand the methods used.

STUDENT WORKSHEETS

MATHEMATICS

Worksheet #1

FINDING THE INTEREST

Interest is a charge made for the use of money. One method for finding interest is by the formula:

Interest = principal x rate x time

EXAMPLE: Find the interest on $175 for 1 year 3 months at 6%.
1 year 3 months = 1 1/4 years
Interest = $175 x .06 x 1 1/4
Interest = $13.13

$$\begin{array}{r} \$175 \\ \underline{.06} \\ 10.50 \\ \underline{1\ 1/4} \\ 2.62\ 1/2 \\ \underline{10.50} \\ 13.12\ 1/2 = \$13.13 \end{array}$$

FIND THE INTEREST

PRINCIPAL	RATE	TIME
1. $225	6%	2 yrs.
2. $300	5%	1 yr. 6 mos.
3. $250	6%	1 yr. 4 mos.
4. $248	7%	1 yr. 3 mos.
5. $96	5%	6 mos.
6. $672	4 1/2%	1 yr. 5 mos.
7. $600	4%	2 yrs. 6 mos.
8. $1200	5 1/2%	3 yrs.
9. $900	6%	2 1/2 yrs.

1. What interest will Mr. Smythe pay on $550 for 1 1/2 years at 5%?

2. Mr. Davidson borrowed $450 for 2 years 4 months at 4%. How much interest did he pay?

3. How much interest did Harry pay on $650 he borrowed for 3 years 2 months at 6%?

4. Mr. Harrison borrowed $450 for 2 years 4 months at 5 1/2%. How much interest did he pay?

5. Mr. Wilgus borrowed $750 for 3 years at 4%. How much interest did he pay?

6. Mr. Harper invested $1600 for 4 years at 4%. How much interest did he receive?

7. Mr. Judy borrowed $1800 for 3 years 4 months at 4 1/2%. How much interest did he pay?

8. Mrs. Case borrowed $1000 for 1 year 6 months at 4 1/4%. How much interest did she pay?

Worksheet #2

INTEREST RATES

1. Reactions Company needs a new truck to keep up with its growing business. Mr. Garza, the owner and manager of the company, selected a truck with a total cost, including taxes and license tags, of $6,354. He plans to pay down one-third of the total cost. (a) What is the amount of the down payment? (b) How much is left to be paid after subtracting the down payment?

2. Mr. Garza has thought about borrowing the money to pay for the truck. His bank will lend him the money he needs. The loan manager, Mr. Leonard, told Mr. Garza that he has a choice of loan plans. Plan I is at 5 1/2% interest over a 4-year period. Plan II is 6% interest over a 3-year period. (a) How much interest will Mr. Garza pay under Plan I? (b) Under Plan II, how much interest will Mr. Garza pay?

3. Add the amount of interest that Mr. Garza would pay under Plan I to the amount he is borrowing. Divide that amount by 48 to see what the monthly payments would be.

4. Add the amount of interest that Mr. Garza would pay under Plan II to the amount he is borrowing. Divide that amount by 36 to see what the monthly payments would be.

5. Mr. Garza talked over his choices with his friend, Mr. Johnson. Mr. Johnson suggested he go to a loan company to see if he could get a better deal. Mr. Garza went to the Happy Loan Company. They told him that his payments would be $125 for 4 years, but they did not tell him what the interest rate was. If Mr. Garza borrows the money from the Happy Loan Company, how much will he pay at $125 a month for 4 years?

6. Subtract the amount Mr. Garza wants to borrow from the amount he would pay back to the Happy Loan Company. How much interest (in dollars) will he pay back?

7. (a) Is the amount of interest he would pay to the loan company more or less than under Plan I at the bank? (b) How much more or less?

8. Which plan is best for Mr. Garza if he wants to save money?

9. Which plan has the lowest monthly payments?

BUYING A RUG

1. Mrs. Williams wants to buy a rug for her dining room. The room measures 9 by 11 feet. Rugs cost $10.00 a square yard. How much will the rug she wants cost Mrs. Williams?

2. Mrs. Williams cannot afford the rug so she goes to Bill's Finance Co. They will gladly lend her the money if she will pay an interest fee of 6% for one year. How much extra will Mrs. Williams be paying?

3. Mrs. Williams decides that the cost is too much. She goes to the bank, which agrees to lend her the money at 4 1/2% interest if she pays it back in 6 months or at 6% if she takes 12 months to pay.

   a. Which plan would have lower monthly payments?

   b. What is the amount of interest Mrs. Williams will pay to the bank for 6 months?

   c. What is the amount of interest she will pay to the bank for 12 months?

   d. Under which plan will she pay less money in interest?

4. Again, Mrs. Williams turns down the loan from the bank. She decides to enroll in a payroll savings plan at work. She instructs them to take $4.00 a week from her paycheck. How long will it take Mrs. Williams to save the money she needs?

5. How much would she save if she purchases the rug with the money she has saved in her payroll savings plan instead of borrowing the money from the bank for a 12-month period?

DETERMINING PRICE

Businesses keep accurate records on their sales and expenses. These records give them the information needed to figure out what they should charge for the items they sell. The retail price (the price they put on the price tag) must cover the wholesale price (cost of the article) and the overhead expenses (a portion of the cost of lighting, heating, salaries, and other expenses the business must pay).

Note: Shoplifting causes stores to have a higher overhead because of the loss they take on stolen items. This means that the stores have to make the retail price higher so that they can still make a profit. Broken items and damaged goods must be charged to overhead also.

Examples:

Item	Wholesale Price	Overhead Cost	Total Cost to the Store	Retail Price	Profit or Loss	
Mirror	$12.00	$5.00	$17.00	$18.00	$1.00	Profit
Table	$50.00	$12.00	$62.00	$56.00	$6.00	Loss

Step 1. Add the wholesale price and overhead cost together to find out how much the business spent for the item.

Step 2. Subtract the total cost to the store from the retail price to find out how much profit the store made on the item.

If the total cost to the store is more than the retail price, the store did not make a profit. If the retail price is more than the total cost to the store, the store has made a profit.

ITEM	WHOLESALE PRICE	OVERHEAD COST	TOTAL COST TO THE STORE	RETAIL PRICE	DIFFERENCE	PROFIT LOSS
Ring	$ 5.00	$ 1.00	________	$18.00	________	________
Watch	$24.00	$ 3.00	________	$57.95	________	________
Chair	$14.95	$ 3.75	________	$20.99	________	________
Tie	$ 4.00	$ .35	________	$ 5.79	________	________
Desk	$39.98	$10.78	________	$56.99	________	________
Book	$ 3.99	$ 1.89	________	$ 5.95	________	________
Watch	$35.00	$ 6.70	________	$51.78	________	________
Hat	$15.00	$ 3.75	________	$35.00	________	________
Coat	$60.75	$20.00	________	$99.99	________	________
Skirt	$15.00	$ 4.00	________	$17.98	________	________
Shirt	$ 2.50	$ 1.75	________	$ 3.98	________	________
Shoes	$ 8.95	$ 3.03	________	$15.00	________	________
Earrings	$ .50	$ .20	________	$ 2.00	________	________

Worksheet #5

THE ADVERTISING BUDGET

The Abacus Company sells electronic calculators. They have just developed a new line of pocket-sized calculators that they plan to put on the market. The calculators will sell for $10 less than those of the nearest competitor. Abacus wants to advertise heavily during the first six months the calculators are on the market. The budget for advertising is $10,000 for the first month; $5,000 for the second month; and $2,000 for the third, fourth, fifth and sixth months for a total of $23,000. Abacus wants to reach the man in the street who will buy from Abacus distributors. Abacus is not a nationwide company at this time, so it will not use nationwide television or magazines.

1. Abacus has decided to begin with a full-page newspaper advertisement. The cost of this ad is $1,000. It will appear in two major newspapers on the same day. After that the company will run smaller ads three times a week for four weeks.

   a. What is the total cost of the big ads?

   b. How many smaller ads will be run during the month?

2. For small ads, newspapers charge by the line of print. The Abacus ad is 45 lines deep and goes across 3 columns. To find the total lines of print used, multiply the number of lines by the number of columns. The *Daily Herald* charges 71¢ a line used. The *City News* charges 76¢ a line used.

   a. What is the total number of lines in the ad?

   b. How much does it cost to run the ad once in the *Herald*?

   c. How much does it cost to run the ad once in the *News*?

   d. How much does it cost to run the ad the total number of times in both papers?

   e. Why do you think the *News* charges a higher rate?

   f. How much has been used in newspaper advertising so far, including the full-page ads as well as the small ads?

3. Abacus plans to use television as the second major way to reach its market. The commercials will include a 30-second spot and a 10-second spot. Station KDS-TV charges $100 for a 30-second spot and $25 for a 10-second spot. Abacus will appear on Friday, Saturday, and Sunday nights. Each night there will be three 30-second spots and three 10-second spots.

   a. How much will it cost to run the television commercials for one night?

   b. How much will it cost for three nights?

   c. If Abacus advertises for three nights a week for four weeks, how much will it cost?

   d. How much has now been spent for newspaper and television advertising?

   e. Can Abacus afford any other television advertising during this month and stay within its budget?

Worksheet #6

INTRODUCTION TO DISCOUNTS

1. If you buy a suit that cost \$80 and you get a 25% discount, how much do you pay for the suit? 25% = .25

$$\begin{array}{r} \$80.00 \\ \underline{.25} \\ 40000 \\ \underline{160000} \\ 20.0000 = \$20.00 \end{array}$$

$$\begin{array}{l} \$80.00 \text{ original cost} \\ \underline{-20.00} \\ \\ \$60.00 \text{ what you pay} \end{array}$$

2. The original price is \$125 and you get a 10% discount. How much do you pay?

3. The original price is \$10 and you get 33% off. How much do you pay?

4. Original price \$60. Discount 10% How much do you pay?

5. Original price \$19.98. Discount 25%. How much do you pay?

6. Original price \$59.95. Discount 10%. How much do you pay?

7. Original price \$9.98. Discount 33%. How much do you pay?

8. Original price \$35.99. Discount 25%. How much do you pay?

9. If the sign says 1/3 off, what percent discount do you get? What percent at 1/2 off?

PAYROLL

1. Anderson Williams is a skilled carpenter with an hourly wage rate of $5.40. What are his earnings for a week if he works 46 hours?
2. Kay Peterson is a secretary whose annual salary is $5,300. If she is paid semi-monthly, what is her gross income each pay period before any deductions are made?
3. Helen Davis works 5 days per week in a factory where she is paid at the piecework rate of $.30, or 30¢ per unit. If she averages 98 units per day, what are her earnings per week?
4. Ray Evans is a salesman in a department store. He earns a fixed salary of $50 per week and 1% commission on sales. During a week-long clearance sale, he sold $6,348 of merchandise. What were his total earnings for the week?
5. Find the annual salary of a person who earns:
    a. $63.50 per week
    b. $425 per month
    c. $292.50 semi-monthly
    d. $1.85 per hour for 40 hours a week

PAYROLL DEDUCTIONS

1. Frank Chen's gross pay is $193.60 a week. He contributes $5.00 a week to payroll savings, $2.50 is deducted for city wage tax, $10.89 is taken for FICA, $3.50 goes for union dues, $4.83 is for insurance, and $23.00 is deducted for federal withholding tax.

   a. What is the total of Mr. Chen's deductions?

   b. What is his take-home pay?

2. There are 4.33 weeks in a month.

   a. What is Mr. Chen's gross pay for one month?

   b. What is the total of the months's deductions?

   c. What is Mr. Chen's net or take-home pay for one month?

3. Figure Social Security tax at 5.85%, withholding tax at 12%, and city wage tax at 3%. To find out the amount deducted for each, multiply the gross pay by the percentage.

   Howard Porter works 40 hours a week at $2.55 an hour.

   a. What is his gross pay per week?

   b. How much does he receive after taxes?

4. Mr. Porter decides to enroll in the payroll savings plan. He has $4.50 a week taken out of his pay for this purpose.

   a. How much is deducted in a month?

   b. What does his gross pay amount to after a month?

   c. What are his deductions after a month?

   (Use the same deduction rates as in No. 3)

5. Mrs. Begay has a job that pays $90.00 a week after taxes are taken out. She applies for a new job that will pay $3.00 an hour for a 40-hour week. She knows about 15% of her pay will be deducted for taxes.

   a. How much in taxes will she pay on the new job?

   b. Will she make more money than before, after taxes?

6. She decides to take the job when she learns that after the training period she will make $3.15 an hour.

   a. What will her gross pay be for a 40-hour week?

   b. What will her net pay be for the same period?

Worksheet #9

FIGURING DIRECT LABOR COST

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
Director	$1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	
Instructor	1000	1000	1000	___	___	___	___	___	___	___	___	___	
Instructor	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	
Instructor	1200	1200	1200	1200	1200	1200	1200	1200	1200	1200	1200	1200	
Instructor	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	
Writer	___	___	___	1000	1000	1000	1000	1000	1000	1000	1000	1000	
Editor	___	___	___	___	___	___	1050	1050	___	___	___	1050	
Clerk/typist	500	500	500	500	500	500	500	500	500	500	500	500	
Co-Director	___	___	___	___	___	___	___	___	___	667	667	667	
Total (Raw Cost)													
Fringe Benefits @ 18%													
Total Direct Labor													

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Problem:

1. Add the costs for each month. Fill in the total on the line called Total (Raw Cost).
2. Add the costs for each job title across the page. Fill in on the correct line under column called Total.
3. Add the column called Total.
4. Add the totals for each month to find out the total cost for the year. Compare your answer with your answer to #3.
5. Multiply each month's cost by 18%. Put your answers on the line called Fringe Benefits under the correct month. Add your answers across to get the year's total.
6. Multiply the total raw cost for the year by 18%. This will check your answer for the year's total of fringe benefit cost.
7. Add the total raw cost to the cost of fringe benefits to find the total cost of direct labor.

ACCOUNTS PAYABLE

Accounts payable are the bills the business owes such as for telephone, rent, payments on equipment, office supplies, and so on.

1. Some companies, like people, do not always pay their bills on time. Therefore some businesses charge a penalty if the bill is not paid in thirty days. The penalty may be 1% a month or more.

   a. Howard Office Supplies sent a bill to Oscar's Restaurant for $131 for office supplies. At the bottom of the bill, it says "If not paid in 30 days, 1 1/2% per month will be charged." Oscar's Restaurant did not pay the bill for three months. How much did they pay in all? (Consider the late charge on the original amount only.)

   b. Alden's Department Store charges 3% per month late charges. Brown Co. owes Alden's $375, and it is two months late. How much do they owe in late charges. How much do they owe in all?

   c. Baker's Drug charges 1 3/4% late charges. If a bill for $75 is one month late, how much extra is owed?

   d. The following are owed to Baker's Drug. How much is owed on each, including late charges?

Kachina Jewelry Store	$60 for 2 months
Dr. Miller & Associates	$376 for 3 months
Dental Supply Co.	$515 for 6 months
Angela Smith	$35 for 4 months
Douglas Turner	$56 for 3 months

2. Some businesses give a discount for prompt payment. They may give one discount for paying within 10 days and another for paying within 30 days.

   a. Douglas Collyer Company received a bill from Angela Supplies for $3756. The bill gives a discount for 3 1/2% if paid within 10 days and a discount of 1% if paid within 30 days. How much can be saved by paying within 10 days? How much can be saved by paying within 30 days?

   b. Lindley Realty owes $27.63 but can get a 2% discount by paying within 10 days. How much do they owe if they take advantage of the discount?

   c. The Dog and Cat Supply Company owes $753.96 but can get a 4 1/4% discount. How much can they save?

d. Find out the discount saved on each of the following:

	Amount	Percent
Chandler Florist	$3763	1%
Howard Dry Cleaners	136	3%
Hughes Metal Co.	5634	1 3/4%
Corner Grocery Inc.	6942	2 1/2%
General Hospital	9310	1 1/2%
First Baptist Church	259	1 1/2%

3. Some businesses, such as utility companies, give a discount for early payment and charge a penalty for late payment.

a. Figure out what each of the businesses will owe if each pays early and receives a 2% discount.

Account	Gross Bill	Amount Due
Burns Plumbing	$200	
Carter Drug	56	
Black Realty	392	
Drs. Winters and Cane	95	
Flint Pharmacy	74	
Paris Cleaners	679	
Beck Hardware	124	
Tower Florist	491	
Larson Shoes	72	
Animal Hospital	703	

b. Figure out what each of the same businesses will pay if each pays one month late at a penalty of 2 1/2%?

FIGURING DEVELOPMENT COSTS

PROBLEM A.

	June	July	Aug.	Sept.	Oct.	Nov.
Salaries						
J. Jones	1000	1000	1000	1000	1000	1000
M. Walker	1150	1150	1150	1150	1150	1150
R. Morales	896	896	896	896	896	896
L. DeSoto	600	600	600	600	600	600
Salary Total						
Fringe Benefits @ 20%						
Direct Labor						
Total Direct Labor						

Directions:
1. Add each column to find the cost of salaries for that month. Put your answer in the space under each column.
2. Multiply the total for each column by 20% to find the amount the company pays for fringe benefits. Fringe benefits include insurance for employees, the matching amount for social security, payment for unemployment insurance, and so on.
3. Add the amount paid for fringe benefits to the amount for salary cost. This gives the total amount the company pays for labor directly as a part of this project — total direct labor.

PROBLEM B.

	June	July	Aug.	Sept.	Oct.	Nov.
Direct Labor						
Office Supplies	225	173	130	82	63	48
Rent	250	250	250	250	250	250
Utilities	132	128	140	135	140	137
Supplies	376	381	400	275	156	125
Travel	200	273	150	78	-0-	-0-
Telephone	50	150	125	168	133	76
Monthly Costs						

Directions: 1. Write your answer for total direct labor cost from Problem A on the line for direct labor.

2. Add the columns for each month to get the total costs for that month.

PROBLEM C.

Add the total monthly costs. Check your answer by adding the costs across for each line item. Add the monthly costs. Add the column of line item totals. The total for the line items and the total of all the monthly costs should be the same. This is the best way to catch your errors.

FIGURING CASH NEEDS

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
Income	-0-	10000	15000	17500	18700	20000	25000	30000	35000	40000	41000	38000	
Cost													
Rent	500	500	500	500	500	500	500	500	500	500	500	500	
Direct Labor	7362	7060	8341	8972	10322	9742	10300	10000	9742	8972	8341	7362	
Utilities	100	110	105	117	110	102	100	101	105	115	120	121	
Telephone	250	246	236	242	271	265	263	255	257	246	240	242	
Supplies	3050	3000	3500	3500	4500	4000	4000	4000	3500	3500	3000	3000	
Equipment	7000	7000	7000	7000	—	—	—	—	5000	—	—	—	
Travel	250	200	200	250	300	300	325	325	300	250	250	200	
Total Cost													
Profit (Loss)													
Need to Borrow													

1. Add the total cost for each month. Do not add the line called Income into your costs.
2. Subtract the total cost from the amount of income for that month. If the cost is larger than the income, subtract the income from the cost. The answer is a loss. Put parentheses around a loss answer. (A loss occurs when costs are greater than income.) Put the answer on the line called Profit (Loss).
3. On the line called Need to Borrow, put the amount of money the owner will have to borrow to cover his costs for that month.
4. In what month does the company begin to make more than it has in costs?
5. When can the company begin to pay back what it borrowed?
6. Can the loans be paid off by the end of the year?

ANSWER KEY

WORKSHEET #1

(1) $27 (2) $22.50 (3) $20 (4) $21.70 (5) $2.40 (6) $42.84 (7) $60 (8) $198 (9) $135

(1) $41.25 (2) $42 (3) $123.50 (4) $57.75 (5) $90 (6) $256 (7) $270 (8) $63.75

WORKSHEET #2

(1) a. $2118 b. $4236 (2) a. $931.92 b. $762.48 (3) $107.67 (4) $138.85 (5) $6000 (6) $1764 (7) a. more b. $832.08 (8) Bank Plan II (9) Bank Plan I

WORKSHEET #3

(1) $110 (2) $6.60 (3) a. borrowing for 12 months b. $2.48 c. $6.60 d. borrowing for 6 months (4) 27.5 weeks (5) $6.60

WORKSHEET #4

(1) $6.00, $12.00, P (2) $27.00, $30.95, P (3) $18.70, $2.29, P
(4) $4.35, $1.44, P (5) $50.76, $6.23, P (6) $5.88, $.07, P
(7) $41.70, $10.08, P (8) $18.75, $16.25, P (9) $80.75, $19.24, P
(10) $19.00, $1.02, L (11) $4.25, $.27, L (12) $11.98, $3.02, P
(13) $.70, $1.30, P

WORKSHEET # 5

(1) a. $2,000 b. 12 in each newspaper (2) a. 135 b. $95.85 c. $102.60 d. $2381.40 e. greater circulation f. $4381.40 (3) a. $375 b. $1125 c. $4500 d. $8881.40 e. Yes

WORKSHEET #6

(1) completed (2) $112.50 (3) $6.70 (4) $54.00 (5) $14.99 (6) $53.96 (7) $6.69 (8) $26.99 (9) 1/3=33% 1/2=50%

WORKSHEET #7

(1) $248.40 (2) $220.83 (3) $147.00 (4) $113.48 (5) a. $3302 b. $5100 c. $7020 d. $3848

WORKSHEET #8

(1) a. $49.72 b. $143.88 (2) a. $838.29 b. $215.29 c. $623 (3) a. $102 b. $80.73 (4) a. $19.49 b. $441.66 c. $111.58 (5) a. $18 b. yes (6) a. $126 b. $107.10

WORKSHEET #9

Raw Cost: each month Jan. thru June $6100; July and Aug. $7150; Sept. $6100; Oct. and Nov. $6767; Dec. $7817 Fringe Benefits: each month Jan. thru June $1098 July and Aug. $1287; Sept. $1098; Oct. and Nov. $1218.06; Dec. $1407.06 Total: each month Jan. thru June $7198; July and Aug. $8437; Sept. $7198; Oct. and Nov. $7985.06; Dec. $9224 Total Column: $16,800, $3,000, $12,000 $14,400, $12,000, $9,000, $3,150, $6000, $2001 Total Raw Cost: $78,351 Total Fringe Benefits: $14,103.18 Grand Total: $92,454.18

WORKSHEET #10

(1) a. $136.90 b. $397.50 c. $1.31 d. $62.10, $395.74, $569.08, $37.45, $58.94 (2) a. $131.46, $37.56 b. $27.08 c. $32.04 d. $37.63, $4.08, $98.60, $173.55, $139.65, $3.89 (3) a. $196, $54.88, $384.16, $93.10 $72.52, $665.42, $121.52, $481.18, $70.56, $688.94 b. $205, $57.40, $401.80, $97.38, $75.85, $695.98, $127.10, $503.28, $73.80, $720.58

WORKSHEET #11

A. Salary Total (each month): $3646; Fringe Benefits (each month): $729;

Total Direct Labor (each month): $4375 (Fringe benefits and total are rounded off.)

B. Direct Labor (for each month): $4375

Totals for the months: $5608, $5730, $5570, $5363, $5117, $5011

Totals for six-month period: $26,251, $721, $1500, $812, $1713, $701, $702

C. Grand Total: $32,401

WORKSHEET #12

(1) $18,512, $18,116, $19,882, $20,581, $16,003, $14,909, $15,488, $15,181, $19,404, $13,583, $12,451, $23,876

(2) ($18,512), ($8116), ($4882), ($3081), $2697, $5091, $9512, $14,819 $15,596, $26,417, $28,549, $14,124

(3) $18,512, $8116, $4882, $3081 (total of $34,591)

(4) May (5) May (6) yes

BOUTIQUE
BAKERY
SHOES
WAREHOUSE
Hardware Store
Doctor
TRADE SCHOOL
BOOKS
JEWELERY

BUSINESS OWNERSHIP & MANAGEMENT

APPENDIX F: ANCILLARY MATERIALS -- NINTH GRADE CURRICULUM

CAREER EDUCATION CURRICULUM DEVELOPED BY THE NATIONAL BUSINESS EDUCATION ASSOCIATION UNDER A GRANT FROM THE U.S. OFFICE OF EDUCATION, DIVISION OF ADULT VOCATIONAL EDUCATION.

AUTO REPAIR
NEWSSTAND
PLUMBING
M G Co
BARBER
FARM SUPP
OPTICIAN
GROCERY
Florist

INTRODUCTION

This material has been developed for use with ninth grade students such as those in a basic business class or in a cocurricular activity such as a youth club. The material is designed to be interspersed with the usual classroom activities. Days or weeks can intervene between use of these lesson plans, with students carrying on the activities of the class business during a portion of the class day, after school, or on weekends.

The goal of this module is to permit the students to experience, in a semicontrolled situation, some of the activities and decisions involved in the operation of a small business. Throughout, the teacher acts as a catalyst and a guide, helping each student to find his own way through the business experience.

In the course of this series of learning experiences, the class will select a business activity, establish a "corporation," take jobs within that corporation, and actually operate the business. They will deal with investment moneys, income, and expenses. They will earn stock in the corporation in lieu of salary and will be active stockholders.

Many other activities can be incorporated into this module according to the needs and abilities of the students. The following should be looked upon as a basic framework, from which the teacher can develop a program specifically tailored to his school and his students. Lesson plans, prepared as a guide for the teacher, may cover one or more days depending upon the needs and skills of each student group.

The module is set up in three stages:

I. The introduction of facts and materials necessary for the students to have sufficient knowledge to establish a working corporation.

  A. The introduction of the forms of business

    1. Single proprietorship
    2. Partnership
    3. Corporation

  B. The introduction of the functions of business ownership and management.

    1. Operations, marketing, personnel, and financial management
    2. Job applications and interviews

II. Founding and operating the corporation

  A. Determining the nature of the business
  B. Preparing to incorporate

    1. Making decisions about the corporation
    2. Completing the Articles of Incorporation

    a. Type of business
    b. Location of corporation
    c. Personnel
    d. Types of stocks
    e. Salary and wage compensation
    f. Stockholders' meetings
    g. Departments and their duties

  C. Arranging financial backing
  D. Establishing the departments of the corporation
  E. The first stockholders' meeting
  F. The hiring of personnel
  G. Operating the business

III. Dissolving and evaluating the corporation and evaluating the entire module.

In this module the teacher is encouraged to schedule community business persons as speakers, to have the students perform independent research and make special reports to the class, and to use other films and materials which might be available in the community to enrich the learning process for the students.

SUGGESTED PROCEDURES FOR USING THE MODULE

1. Read the entire set of materials so that you will understand and be able to explain the learning objectives and activities of the module to the students.

2. When the class is ready to begin the module, explain to the students that they are going to organize and operate a small business corporation Use Teaching Guide One for class discussion.

3. Appoint a committee of three students to do some research and to report back to the class the committee's suggestions of types of businesses for class consideration.

4. Explain to the students that during the next few weeks they will become familiar with how to operate their chosen business through class discussions of the following topics:

   a. Types of Business
   b. Business Ownership and Management
   c. Marketing
   d. Personnel Management
   e. Financial Management
   f. Telephone Manners
   g. Application for Employment
   h. Personal Resume
   i. Job Interview

5. Teach Lessons One through Nine.

6. Appoint one student to act as a "Corporate Counsel Guide." Appoint three students to act as "Incorporators" of the proposed business corporation. The appointments of the students should be made several days prior to teaching Lesson Ten. The appointed students should study Teaching Guides Two and Three and Handout Eight.

7. Teach Lesson Ten. Read Teaching Guide Four. Incorporate the business.

8. Teach Lesson Eleven. Organize the business.

9. Teach Lesson Twelve. Operate the business.

10. Teach Lessons Thirteen through Fifteen. Dissolve the business and review and evaluate the business activities.

LESSON PLANS

Lesson Plan 1

SUBJECT: Business Ownership and Management

MAJOR EMPHASIS: Introduction of the three forms of business.

OBJECTIVES: To become familiar with the three forms of business.

GENERALIZATION: Everyone comes in contact with some form of business each day.

REQUIRED MATERIAL: Handouts on Forms of Businesses (Handouts One, Two, and Three).

TEACHING STRATEGIES:

I. Discuss with the students what they already know about business

   a. As consumers

      1. retail (groceries, clothes, furniture, automobiles, etc.)

      2. wholesale (Some students may know of a relative's business which sells wholesale or one which buys wholesale.)

   b. Through family connections as employers or employees.

   c. Through the media, i.e., commercials, documentaries, news, fiction.

II. Discuss with the students how chores and interests can develop into a profitable business.

   a. Mechanics -- car salesperson, car repair, garage owner
   b. Yard work -- gardner, nursery owner, landscaper
   c. House work -- housekeeper, domestic, cook, interior decorator
   d. Sewing -- seamstress, clothes designer, clothing manufacturer, fashion model
   e. Pets, animals -- veterinarian, animal breeder, professional handler at dog or cat shows, kennel owner
   f. Baby-sitting -- child care center owner, kindergarten helper

III. Introduce the concept of single proprietorship. Distribute Handout One on single proprietorship and discuss:

   a. the advantages of single proprietorship
   b. the disadvantages of single proprietorship
   c. businesses operated under single proprietorship that the students might know, i.e., the local grocery store, car dealer, jewelry store, etc.

IV. Introduce the concept of a partnership. Distribute Handout Two on partnerships and discuss:

   a. A business owned by a partnership in the community
   b. Advantages of the partnership type of ownership
   c. Disadvantages of the partnership type of ownership

V. Distribute Handout Three on the corporation and discuss.

VI. When the class has a firm idea of what different forms of business there are, have them make comparisons between the forms and cite how different advantages and disadvantages affect the different businesses.

   a. How the nature and size of the business dictate its form.
   b. How the form can help or hinder its growth.
   c. Protection from liabilities vs. legal hinderances.

APPLICATION: Recognize the influences of business in one's own experiences.

EVALUATION: Discuss the forms of business and express one's own ideas about business.

SUBJECT: Business Ownership and Management

MAJOR EMPHASIS: Ownership as a decision-making career.

OBJECTIVES: To become acquainted with the scope of problems in managing a business and the different areas of responsibility.

GENERALIZATION: Business management varies according to the business, the size of the business, and the individual.

REQUIRED MATERIALS: Filmstrip, "The Business Owner"
Filmstrip projector

TEACHING STRATEGIES:

1. Discuss with the students what they already know about business management.
2. Show the filmstrip and discuss.

Students should be able to:

1. State the measure(s) of success of any business.
2. Identify by name and function the main subdivisions of responsibility.
3. Recognize that the owner has the final responsibility for the business.
4. Recognize that the owner should like the business he enters.
5. Recognize that the owner should have a working knowledge of a business before becoming an owner.
6. Identify and characterize the three main forms of business.
7. Recognize that production is a function of people and their work environment.
8. Recognize that rules and policies are necessary.
9. Define, state purpose of, and give limits of goal-setting.
10. State the main features of a business plan.

Possible discussion questions on the filmstrip, "The Business Owner."

1. How can you tell when a business is successful?

   A. When it is making a profit, or growing, or both.

2. What is profit?

   A. The money that is left over after everything (all business bills) is paid.

3. What is meant when someone says that a business is growing?

   A. It means that a business owner is using profits, or borrowed or invested money, to help the business expand. This might mean bigger buildings, more inventory, more employees, or different product lines.

4. What are the main parts of a business?

   A. Personnel, marketing, financial management, and operations.

5. What does each of these parts do?

   A. Personnel has to do with hiring and releasing people and taking care of their different problems relating to the job. Marketing involves advertising and selling the products of a business. It also includes research and development of new products. The financial department oversees all the money matters of a business and keeps records of spending and income. Operations is concerned with the actual production of a company's product or providing its services.

6. Who has the final responsibility for making sure the business is successful?

   A. The owner. In a corporation, it is the board of directors who acts for the owners (stockholders).

7. For discussion: What may happen if the owner doesn't take this responsibility?

8. Why should an owner know something about a business before he goes into it?

   A. One reason is to be sure the particular business is something he wants to be involved in.

9. Why should an owner like a business that he goes into?

   A. An owner spends a great deal of time at his work.

10. What can happen to your business if you hire someone and don't have enough work for the new employee?

    A. You waste money because you are paying someone who isn't producing any work. That money could be used for something else or could be profit. The employee may not be happy, either.

11. What can happen if you buy or rent a building bigger than you need for your business?

    A. You waste money because you are paying for space you aren't using.

12. Why must a business owner make rules and set policies?

    A. So that all employees know what is expected of them and what they can expect from the business. If the owner doesn't make the rules, everyone may do as he or she pleases; this would not benefit the business.

13. What are business goals?

    A. Goals are a list of things that an owner wants the business to accomplish, such as, expand, make a certain profit, or create a new product or service.

14. Why do business people set goals?

    A. They can use them as guidelines in planning business activities and assessing the progress the business is making.

15. Would opening one small gas station and expecting to be able to open 40 more in the next year be a realistic goal? Why?

    A. No. Because a business probably won't grow that fast. Opening one other station in a year or two might be a good goal.

16. If you are making a business plan for your business, what kind of things do you put in it?

    A. What you want to accomplish, how you are going to accomplish it, and by what dates.

17. If you need money for your business, where can you go?

    A. A bank, a private investor, and/or the SBA.

18. The following discussion material may be used in an attempt to broaden the student's conception of the diversified skills needed by a business owner:

    a. Get the students to discuss their current interests and aptitudes.
    b. Ask them what business they might open in light of what they know and like at this moment.
    c. Ask them to discuss why they chose what business, e.g. veterinarian -- likes to work with animals; mechanic -- likes to work with cars; nurses registrar -- likes to work with people.
    d. Expand discussion so that students begin to bring out some of the other skills necessary; e.g., veterinarians work with animal owners as much as with animals. Would the students like that? Why or why not? Nurses registrar has to work with schedules and fees. What skills are required? Would the students like this?
    e. Utilize this to broaden student's realization of what is involved in various businesses and the problems and advantages of each situation.

19. Throughout the curriculum emphasize that the student can and is even expected to change his or her mind many times before deciding on a career. Learning about different careers helps him make a decision that is truly right for him.

APPLICATION: Begin to match particular areas of business with one's own personality.

EVALUATION: Discuss the contents of the filmstrip and express one's own ideas about business ownership.

SUBJECT: Business Ownership and Management

MAJOR EMPHASIS: Marketing as a facet of business.

OBJECTIVES: To become familiar with the basic functions of the marketing department.

GENERALIZATION: Marketing is an important function within a business.

REQUIRED MATERIALS: Filmstrip, "Marketing"
Filmstrip projector

TEACHING STRATEGIES:

1. Ask students what the word marketing means to them.
2. Explain that in business the word marketing is used to entail everything concerned with selling a product.
3. Ask the students to name the aspects they feel are important in selling a product.
4. Show the filmstrip.
5. Discuss the concepts presented in the filmstrip.

Questions and possible discussion topics on filmstrip, "Marketing."

1. What are some of the things included in marketing?

   A. Advertising, selling, market research, sales projection, product development, and pricing.

2. What are three ways of selling a product or service?

   A. Direct selling, selling by mail, and selling by distributors.

3. What is direct selling?

   A. Coming face to face with the customer and utilizing personal contact in sales techniques. Examples are car salesmen, department store salespeople, door-to-door salespeople.

4. What is selling by mail?

   A. Sending out catalogs, brochures, lists, or folders to various people to tell them about your product. Often, these include return mail order forms.

5. What is selling by distributors?

   A. This is letting a free-lance salesman take your product (perhaps along with other people's products) and sell it to people. It may also include letting a particular store act as a sales agent.

6. What are four ways of advertising a product or service?

   A. Radio or TV, newspapers and magazines, trade shows or conventions, and trade journals.

7. What is a trade show?

   A. It is a large meeting of people in the same business or profession, such as educators, people in electronics, doctors, etc., in which they discuss common problems and display new developments or products in their field.

8. What are trade journals?

   A. Trade journals are magazines which discuss matters and advertise products or services of interest to people in allied or closely related professions or businesses.

9. What is a sales projection or forecast?

   A. It is something which shows a business owner the likelihood of how much he will sell and when he will sell it.

10. How can a sales projection be used?

    A. Since it tells you how much of a product or service you can sell and when you can sell it, it is used to plan for purchases, materials, allocation of personnel, and allocation of space.

11. Why do business people try to forecast what people will want or need to buy?

    A. They want to know what public demands will be so that they will know what kinds of things to produce. A market forecast gives an indication of when to modify existing product lines or develop new ones.

12. If you are the owner of a drug store and yours is the only drug store in the neighborhood, how does this affect how much you charge for things? Why? If three more drug stores open up in your neighborhood, how will this affect how much you can charge for things? Why?

    A. If you are the only druggist, you can charge a little bit more for things because people have no other place to go to get the things you sell. If more drug stores open near your business, you will have to charge the same or less than they do to attract people to your store.

13. What are some things you must consider when deciding what to charge for a product you make?

    A. Direct costs: material, labor, and fringe benefits.
    Indirect costs: buildings, machinery, equipment, utilities, salaries of employees not involved in producing the product, advertising, and marketing.

14. Identify and discuss the following items that make up a price.

    Material: this is the raw material that goes into making an item; e.g., for an automobile some materials are sheet metal, screws, glass, wire, upholstery materials, etc.

    Labor: salaries of people directly involved in manufacturing a product.

Fringe benefits: things such as vacation pay, insurance, etc., given to employees who work directly in making the product.

Buildings: rent or mortgage payments on buildings used by the business.

Machinery: payments on any machinery used by the business.

Equipment: things such as tables, chairs, file cabinets, storage cabinets, etc. used by the business.

Utilities: electricity, gas, water, etc.

Overhead salaries and benefits: salaries and benefits paid to employees not directly involved in making a product, i.e., secretaries, presidents, receptionists, and accountants.

Advertising: the cost of advertising a product.

Marketing: the cost of selling a product.

15. What is a break-even point:

    A. When you sell enough to get back what you have spent in making a product.

16. Tell from each of these charts whether the company is losing money, breaking even, or making a profit.

Co. ABC	
Products Sold	$100.
Money Spent	- 100.
Profit (Loss)	$ 0

Co. XYZ	
Products Sold	$100.
Money Spent	- 75.
Profit (Loss)	$ 25.

Co. DEF	
Products Sold	$100.
Money Spent	- 110.
Profit (Loss)	($ 10.)

17. What must a business person remember when buying inventory?

    A. Don't buy too much, but don't buy too little. Try to judge needs exactly.

18. Why must an owner remember these things?

    A. With too much inventory that doesn't move, an owner has his money tied up where he can't get to it. If he has too little inventory, people may stop coming to him because they think he doesn't have what they need.

When the students have decided on their type of corporation, the learning experience here can be incorporated into their own business or service. Committees can be assigned to work on advertising, promotion, inventory and a sales projection.

APPLICATION: Correlate the concepts of marketing with one's own experiences.

EVALUATION: Discuss marketing concepts and recognize that marketing is more than just selling a product.

SUBJECT: Business Ownership and Management

MAJOR EMPHASIS: The personnel function of a business.

OBJECTIVES: To become acquainted with the personnel function of a business and some of the techniques used in personnel management.

GENERALIZATION: Personnel management is concerned with obtaining and effectively utilizing human resources.

REQUIRED MATERIALS: Filmstrip, "Personnel"
Filmstrip projector

TEACHING STRATEGIES:

1. Discuss with the students why people work. Most will say for money. Try to point out that personal gratifications are incentives also, such as pride, status, and enjoyment of work.
2. Ask the students if they have ever worked at a job or a place they disliked. Ask them why they disliked it.
3. Ask students what would they look for if they were hiring someone for a position.
4. Show the filmstrip on "Personnel" and discuss areas covered.

APPLICATION: Relate the personnel function of a business with one's own experience.

EVALUATION: Discuss ideas presented on personnel functions of a business.

Lesson Plan 5

SUBJECT: Business Ownership and Management

MAJOR EMPHASIS: Financial management as a function of business ownership and management.

GENERALIZATION: Business growth and success require good financial management.

REQUIRED MATERIALS: Filmstrip No. 4, "Financial Management"
Filmstrip projector

TEACHING STRATEGIES:

1. Discuss with the students why people go into business. Bring out that a primary reason is to make money.

2. Discuss what the mark of success in business is. Emphasize that money means success in business -- how much money is made and how wisely it is used to make more money.

3. Draw a parallel between a budget for business and one for home.

Business	Home
Furniture	Furniture
Machinery	Washer, dryer, car, lawn mower, etc.
Profit	Savings
Utilities	Utilities
Salaries	Allowances

4. Show the filmstrip, "Financial Management."

   Follow-up questions and discussion topics:

   1. Why are business problems related to financial problems?

      A. The purpose of any business is to make money, so all problems must be solved in the light of whether the solutions will make or lose money for the business.

   2. What are assets?

      A. Assets are anything that a company owns. This includes such things as buildings, machinery, and furniture.

   3. What are liabilities?

      A. Liabilities are anything that a business owes to another business or person. These are such things as a mortgage, loans, or money owed on any account.

APPLICATION: Begin to integrate financial management into one's own personal experiences.

EVALUATION: Discuss the importance of money in all areas of business.

SUBJECT: Business Ownership and Management

MAJOR EMPHASIS: The proper telephone manners in business.

OBJECTIVE: To be familiar with the proper use of the telephone for business purposes.

GENERALIZATION: The telephone can be helpful in business if used properly.

REQUIRED MATERIALS: Teletrainer, handouts on telephone manners and calling for an interview (Handouts Four and Five).

TEACHING STRATEGIES:

1. In most parts of the country, the telephone company makes available on request a teletrainer. This kit includes two telephones and a transmittal system that permits the conversation to be heard only through the telephone or to be played loud enough for the class to hear. The teletrainer can be used in practicing calls to make an appointment for an interview.
2. The teletrainer can also be used as an aid in teaching correct telephone manners in a business. Have the students call to sell things, give or take orders, make reservations or register complaints.
3. Distribute Handouts Four and Five on telephone manners and calling for an appointment for an interview.

APPLICATION: Relate proper telephone procedure to everyday personal experiences.

EVALUATION: Discuss telephone uses and proper telephone manners.

SUBJECT: Business Ownership and Management

MAJOR EMPHASIS: Applications for employment.

OBJECTIVE: To obtain experience in filling out application forms.

GENERALIZATION: The application form provides the prospective employer with information about the applicant.

REQUIRED MATERIALS: Application forms

TEACHING STRATEGIES:

1. Discuss with the students the purpose of application forms, that is, to provide the prospective employer with information about the applicant that is both personal and professional -- his age, address, telephone number, education, and work history. Explain how the application is used in the interview to help trigger questions.

2. Pass out the application forms. Explain each question and have the students fill in as much as they can. Point out the importance of neatness and following directions. Discuss the questions and the ways that students can fill out the form describing their experiences. Since the words on most application blanks are the same, learning to recognize and understand the vocabulary will be very helpful when the young person eventually applies for a real job.

3. Discuss any problems the students might have in filling out the applications. Discuss each section with the students and explain why it is on the application form.

4. Have the students fill out another application form by themselves, with individual help as needed. After the applications have been completed and reviewed, they can be used for interview situations for positions in the corporation. Activities can be carried out for all levels in the corporation subsequent to the establishment of the Board of Directors. In each instance, applicants would be interviewed by the immediate supervisor to the position for which application is made.

APPLICATION: Relate the importance of gaining job-related experience and education to providing information asked for in an application for employment.

EVALUATION: Fill out application forms correctly and discuss the purpose of applications.

APPLICATION FOR EMPLOYMENT

PERSONAL INFORMATION

DATE SOCIAL SECURITY NUMBER

NAME (LAST, FIRST, MIDDLE) AGE SEX

PRESENT ADDRESS (STREET, CITY, STATE, ZIP)

PERMANENT ADDRESS (STREET, CITY, STATE, ZIP)

PHONE NO. OWN HOME RENT BOARD

DATE OF BIRTH HEIGHT WEIGHT COLOR OF HAIR COLOR OF EYES

MARRIED SINGLE WIDOWED DIVORCED SEPARATED

NUMBER OF CHILDREN DEPENDENTS OTHER THAN WIFE OR CHILDREN CITIZEN OF U. S. A. YES ○ NO ○

IF RELATED TO ANYONE IN OUR EMPLOY, STATE NAME AND DEPARTMENT REFERRED BY

EMPLOYMENT DESIRED

POSITION DATE YOU CAN START SALARY DESIRED

ARE YOU EMPLOYED NOW? IF SO MAY WE INQUIRE OF YOUR PRESENT EMPLOYER

EVER APPLIED TO THIS COMPANY BEFORE? WHERE WHEN

EDUCATION	NAME AND LOCATION OF SCHOOL	YEARS ATTENDED	DATE GRADUATED	SUBJECTS STUDIED
GRAMMAR SCHOOL				
HIGH SCHOOL				
COLLEGE				
TRADE, BUSINESS OR CORRESPONDENCE SCHOOL				

SUBJECTS OF SPECIAL STUDY OR RESEARCH WORK

WHAT FOREIGN LANGUAGES DO YOU SPEAK FLUENTLY? READ WRITE

U. S. MILITARY OR NAVAL SERVICE RANK PRESENT MEMBERSHIP IN NATIONAL GUARD OR RESERVES

ACTIVITIES OTHER THAN RELIGIOUS (CIVIC. ATHLETIC. FRATERNAL. ETC.)

EXCLUDE ORGANIZATIONS, THE NAME OR CHARACTER OF WHICH INDICATES THE RACE, CREED, COLOR OR NATIONAL ORIGIN OF ITS MEMBERS.

(CONTINUED ON OTHER SIDE)

FORM 660-26 WJ U. S. A.

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APPLICATION FOR EMPLOYMENT

LAST

FIRST

MIDDLE

FORMER EMPLOYERS (LIST BELOW LAST FOUR EMPLOYERS, STARTING WITH LAST ONE FIRST.)

DATE MONTH AND YEAR	NAME AND ADDRESS OF EMPLOYER	SALARY	POSITION	REASON FOR LEAVING
FROM				
TO				
FROM				
TO				
FROM				
TO				
FROM				
TO				

REFERENCES: GIVE BELOW THE NAMES OF THREE PERSONS NOT RELATED TO YOU, WHOM YOU HAVE KNOWN AT LEAST ONE YEAR.

NAME	ADDRESS	BUSINESS	YEARS ACQUAINTED
1			
2			
3			

PHYSICAL RECORD:

LIST ANY PHYSICAL DEFECTS

WERE YOU EVER INJURED? GIVE DETAILS

HAVE YOU ANY DEFECTS IN HEARING? IN VISION? IN SPEECH?

IN CASE OF EMERGENCY NOTIFY

NAME ADDRESS PHONE NO.

I AUTHORIZE INVESTIGATION OF ALL STATEMENTS CONTAINED IN THIS APPLICATION. I UNDERSTAND THAT MISREPRESENTATION OR OMISSION OF FACTS CALLED FOR IS CAUSE FOR DISMISSAL. FURTHER, I UNDERSTAND AND AGREE THAT MY EMPLOYMENT IS FOR NO DEFINITE PERIOD AND MAY, REGARDLESS OF THE DATE OF PAYMENT OF MY WAGES AND SALARY, BE TERMINATED AT ANY TIME WITHOUT ANY PREVIOUS NOTICE.

DATE SIGNATURE

DO NOT WRITE BELOW THIS LINE

INTERVIEWED BY DATE

REMARKS:

NEATNESS		CHARACTER	
PERSONALITY		ABILITY	

HIRED FOR DEPT. POSITION WILL REPORT SALARY WAGES

APPROVED: 1. 2. 3.

EMPLOYMENT MANAGER DEPT. HEAD GENERAL MANAGER

SUBJECT: Business Ownership and Management

MAJOR EMPHASIS: The purpose of resumes in applying for positions.

OBJECTIVES: To become familiar with the resume in applying for a job.

GENERALIZATION: The personal resume may be used in addition to the application form in applying for a position.

REQUIRED MATERIALS: Handout on the resume (Handout Six).

TEACHING STRATEGIES:

1. Distribute Handout Six on the resume. Discuss the purpose of the resume and its use in addition to the application form. Have the students compare the information on an application to that on a resume.
2. Have the students make out a resume of their own. Have them make it for use later on in applying for positions in the corporation.

APPLICATION: Identify or obtain the information required on a resume form from one's own personal experience.

EVALUATION: Write a personal resume.

SUBJECT: Business Ownership and Management

MAJOR EMPHASIS: Interviewing for positions

OBJECTIVE: To become familiar with procedures involved with interviewing for a job or position.

GENERALIZATION: There are proper manners involved in job interviews.

REQUIRED MATERIALS: Handout on interviews, (Handout Seven).

TEACHING STRATEGIES:

1. Explain the different kinds and purposes of interviews to the students.
    a. Employment interviews: for securing, developing, and training employees.
    b. Induction interviews: for orienting new employees.
    c. Performance review interviews: for training and developing employees.
    d. Counseling interviews: for personal and personnel matters.
    e. Correction interviews: for disciplining and guidance of staff.
    f. Grievance interviews: for discussion of employee grievances.
    g. Data gathering interviews: to obtain special information.
    h. Consulting interviews: exchange of information and problem solving with an expert.
    i. Sales interviews: for persuading others.
    j. Order-giving interviews: to assign tasks and procedures.
    k. Exit interviews: a debriefing of an employee upon separation.

2. Point out that to be effective, interviews should be carefully planned. Objectives should be determined in advance, and thought should be given to major obstacles likely to arise. The beginning of the interview should establish an appropriate atmosphere, stimulate interest and attention, and identify the goal of the interview.

3. Have the students work out possible interview situations for practice.

APPLICATION: Recognize proper interview relationships in respect to one's own personal experiences.

EVALUATION: Perform realistically in the interview situation and discuss proper technique.

SUBJECT: Business Ownership and Management

MAJOR EMPHASIS: The process of incorporating a business.

OBJECTIVE: To become acquainted with and gain a rudimentary understanding of the process of incorporating a business.

GENERALIZATION: Incorporating a business requires a standard procedure.

REQUIRED MATERIALS: Handout Eight, "General Corporation Law: (including "The Articles of Incorporation" and Teaching Guide Three, "Explanation of Corporate Law."

TEACHING STRATEGIES:

1. Have the research committee make its presentation of possible businesses. First the class must finalize the selection of the corporation's activity. If no decision can be made, have those pupils responsible for researching potential areas of work present their recommendation. Following this, the class should make its decision. The goal is to keep the activity broad enough to allow freedom of operation.

2. Proceed to the act of incorporation. If possible, have the Articles of Incorporation reproduced in some manner in order that the class may refer to them; such as on the blackboard, by projector, or mimeographed copies. The incorporator and corporate counsel should have at least one copy of the "General Corporation Law: (Handout Eight) and its explanation (Teaching Guide Three) so that they may follow the law in the filing process. The teacher shall act as the state, fulfilling any state function. The incorporators and counsel shall now lead the class in the act of incorporation. Each article should be completed by reading and discussing the corresponding laws, instructions, and definitions.

   The "General Corporation Law" has been intentionally left in formal, legal language to acquaint the students with the style of such papers. These laws should be read to the class by the counsel.

   Once the articles are completed, the incorporators should formally present them to the state (the teacher) for review and approval. Following the initial stockholders' meeting, the teacher should sign the articles. They then become a formal charter granting the corporation the right to conduct its business affairs.

   The completion of the articles may take several days.

APPLICATION: Recognize the legal language in articles of incorporation and other such business proceedings.

EVALUATION: Discuss incorporation and express opinions about problems that might arise.

SUBJECT: Business Ownership and Management

MAJOR EMPHASIS: Procedures for organizing a corporation.

OBJECTIVE: To become acquainted with the procedures for organizing a corporation.

GENERALIZATION: Shareholders, through voting their stock wisely, can control a company.

REQUIRED MATERIAL: Handout Nine, "The First Stockholders Meeting"; Handout Ten, "Stock"; Handout Eleven, "Stocks and Dividends"; Handout Twelve, "Corporation Secretary"; Handout Thirteen, "The Board of Directors."

TEACHING STRATEGIES:

1. Hold a stockholders' meeting for the newly formed corporation. This, of course, will include the whole class since all class members will be shareholders of some degree.
    a. Incorporators outline the business venture to the class.
    b. The class questions them until they are satisfied with the plan.
    c. The class then purchases stock.
    d. The election of the Board of Directors is held.
2. A detailed outline of procedures for conducting the meeting is on Handout Nine. Copies may be distributed to the class to prepare for the meeting. Distribute Handouts Ten and Eleven to all students; Handout Twelve to elected secretary; and Handout Thirteen to Board of Directors.

APPLICATION: Assess the elements involved in business meetings in terms of one's own personality.

EVALUATION: Express opinions concerning the setting up of a business.

SUBJECT: Business Ownership and Management

MAJOR EMPHASIS: Operation of the business corporation selected.

OBJECTIVE: To become familiar with the running of a business.

GENERALIZATION: Running a business requires the skills and cooperation of all departments.

REQUIRED MATERIALS: Handouts Fourteen - Seventeen for each department; Teaching Guides Six-Eleven.

TEACHING STRATEGIES:

A. Review briefly the concepts presented in the four filmstrips. Point out the relationship between what was discussed in the film and what the students will be doing. Review the goals of the various departments of the class business. (See Teaching Guides Six-Eleven;)

B. The class should divide into committes (by departments) as planned at the Board meeting. If there are instances where students hold more than one position, try to arrange that each committee has enough participants for this session to make effective plans. For example, perhaps the Sales Department has a manager but all students will act as salespeople rather than a particular group having that as its sole assignment. Select a few students from a particularly large department (probably production) and have them work in the sales committee.

Each department manager should be given the appropriate department guide (Handouts Fourteen-Seventeen). The department meeting can begin with a reading and discussion of the guide. Then the department should develop a very specific and concrete plan of work. All requirements should be detailed, such as facilities, equipment, supplies, personnel assignments, time needs and monetary demands. After all departments have completed these evaluations, the committees should adjourn.

C. The Board of Directors should convene a meeting before the class with department managers in attendance.

The principal agenda item should be to review the approval of department plans. Each manager should report on his department's work. After critique, discussion, and any necessary alteration, the Board should vote on approval of the proposal. When all reports are completed, the Board can consider any other problems and then adjourn.

D. The beginning of actual business operation. The specific needs in terms of activities are dependent upon so many variables that no specific strategies are listed here. For the next period of time (days, weeks, months as defined by the teacher) the class should carry out the activities of the business selected. When they perform these activities is a decision left to the teacher and the school system.

APPLICATION: Apply one's own personality in the operations of a business.

EVALUATION: Perform successfully the work required in a particular business department.

Lesson Plan 13

SUBJECT: Business Ownership and Management

MAJOR EMPHASIS: Review of corporate operations.

OBJECTIVES: To be familiar with the procedure of preparing a final stockholders' report and dissolution.

GENERALIZATION: A review of corporate operations allows one to be aware of the success or failure of the business.

REQUIRED MATERIALS: None.

TEACHING STRATEGIES:

A. When the module is utilized over a semester or full school year, a Board of Directors' meeting should be held approximately one month preceding the conclusion of the module. The purpose of the meeting is to review corporate operations in order to prepare a final stockholders' report and the dissolution of the corporation.

The stockholders' report would be fictitious but it should be backed up by an explanation of the data included.

Prior to the meeting, all department committees should meet and prepare detailed reports of their activities. Each department should submit the information most relevant to its responsibilities. For example:

Production: Total output and general statements of its work effort. Was it efficient? Profitable?

Personnel: Total manhours, breakdown of hours for each department, report of general personnel attitudes and work habits.

Treasurer: Stock report covering total sales and total stock distributed as profit-sharing compensation, income (profit and loss) statement.

Sales: Report of total sales, general statement of sales market, an appraisal of sales areas and sales techniques.

Each department committee should report to the President on the progress of these evaluations. When all committees have completed these reports, the President should request a meeting of the Board of Directors to review this work and begin preparation of a final report.

B. This meeting should be held before the entire class. The President should instruct all managers to formally attend the meeting.

The purpose of this meeting is twofold. One objective is the development of the student's sense of responsibility and accountability. The members of each department are responsible for carrying out certain tasks. The effectiveness of the corporation is the total of all departments. If anyone operated below the company norm, then the company suffered some form of deficiency. Careful supervision and recordkeeping should enable the students to pinpoint problems. This aspect of business operation should have been reviewed carefully. To prevent sloppy evaluation or inaccurate reporting, all managers should have final responsibility for their departmental reports. If the department's records show that performance has surpassed goals, the manager should receive five shares and each worker three shares as a bonus. In granting these bonuses the Board must keep in mind that ultimately it will be accountable to the stockholders for a final report based upon these departmental sections. Therefore, the Board must realistically evaluate these initial reports.

This evaluation involves the second lesson of today's classwork, viable criticism. As discussed, there is a chain of accountability, workers to managers to the President to the Chairman of the Board. Some students (and in real businesses some employees and employers) fear criticism as a purely negative, personal attack. This attitude only serves to assure the realization of the person's fears. If an individual defines criticism as an attack, it cannot be accepted in any other way. Criticism, to be effective, must include recognition of accomplishment as well as defining lack of achievement.

The goal of criticism is to improve a situation. A critique should acknowledge the problem, that is, what was the difficulty which hampered smooth operation and efficiency. This is followed by proposed solutions, means of rectifying the problem. Without this, the critique is a negative statement which only aggravates the situation. If the problem is found to be insurmountable and the difficulty inherent to the situation, then alternative operations should be considered.

Once it is understood that criticism implies analysis and a proposed solution, then it will be less threatening. This will prevent two incorrect responses to a request for criticism. One attitude is to ignore all problems, to cover up and claim the situation is satisfactory. This allows the problem to grow, protected by misrepresentation. In contrast, some individuals want the opportunity to deliver and/or receive negative criticism. Such attacks solve nothing and in fact cause other problems. Therefore, throughout the report-making process, accountability combined with viable criticism will ensure a realistic appraisal of the corporation.

The Board Meeting

The agenda of today's Board meeting should include the following items:

Evaluation reports
Plan of final stockholders' meeting
Plan for dissolution

Evaluation Reports

Each manager should submit his report to the Board. The Board should review the report and make any corrections, revisions, and requests for additions, if necessary.

C. Preparation for Final Stockholders Meeting

The President/Chairman of the Board has ultimate responsibility for conducting this meeting. He should compile all department reports for incorporation into a Prospectus. In preparation for this report, he should develop an outline with fellow directors based upon the reports they have received.

The language and style of this report is somewhat different from the departmental ones. As noted, the department reports must fully discuss all problems so as to enable the development of effective situations. Employees are paid to work and, if necessary, improve the operations they deal with. Stockholders pay money to the corporation. In a realistic setting, the stockholder must be treated as a very special customer. As a stockholder, he is not concerned with daily operational problems, but is concerned with a guarantee that the firm remains a viable investment.

If the employees and directors are performing their duties, they are coping with operational problems. The President's report should generally discuss any difficulties and show they are being rectified.

The President's report should present an overview, followed by a relevant delineation of the firm's operation and rise in sales and output. This is to be followed by a description of different operational areas based on the department reports. Sales, production, personnel, and the Board's activity should all be discussed.

Supplementing the President's report should be a report by the Treasurer. This will cover all financial and stock matters. The Treasurer must have all the corporation's accounts and stock records at the meeting and available to any stockholder for inspection.

APPLICATION: Correlate business experiences with one's own personal experiences.

EVALUATION: Perform one's function for the benefit of the business.

SUBJECT: Business Ownership and Management

MAJOR EMPHASIS: The dissolution of the business.

OBJECTIVE: To be familiar with the process of the dissolution of a business.

GENERALIZATION: In order to dissolve a business one must follow a set procedure.

REQUIRED MATERIALS: None

TEACHING STRATEGIES:

This lesson is devoted solely to the final stockholders' meeting. In preparation for the meeting, the President and Treasurer must have reports completed, as discussed in Lesson Plan 13.

If possible, this meeting should be open to all stockholders. This would require arrangements with other teachers and the school administration of stock has been sold outside the class. If major obstacles preclude such attendance, it is not essential to the lesson. An argument for such action is that allowing participation by stockholders who played no active role in the class project heightens the reality of the situation. In such an environment, the directors can be given a sense of greater accountability by people whose only stake is safeguarding their investment.

The meeting should be chaired by a Board member. All stockholders must register with the stock clerk who will have the stockholders' records. The clerk will issue each stockholder a voting card which states the holder's total voting stock number. Any disputes between holder and corporation records will be appealed first to the Treasurer and, if need be to the State (teacher) for settlement. Also, the same process will be carried out in reviewing proxy statements.

After all credentials are reviewed and approved, the meeting should be called to order. The agenda of reports and a dissolution proposal should be presented for approval. Once an agenda is complete, the reports should be given. Each report should be followed by discussion. Critical questions should be encouraged. Perhaps it would be helpful to have some students act out roles as dissidents. This could entail questions over the effect of the business on the environment, worker safety and job conditions, probing for any disparity between the stated claims of product (or services) value and actual results, and finally a demand to inspect the accounts.

Following discussion and any required revisions, the reports should receive vote approval.

The next order of business is initiating dissolution proceedings. This section can be led by the corporate counsel. First, the laws concerning dissolution should be read and explained to the stockholders. (Refer to the guide to this section of the corporate law.) Regarding the dissolution of assets such as tools, supplies, and so forth, these should be disbursed in a manner which does not involve further monetary dealings -- a donation to the school might be appropriate. When all matters outlined in the legal code are dealt with, the essential business of the meeting is completed. Unless additional agenda points have been raised, the meeting may be adjourned.

APPLICATION: Assess the business experience as it related to one's own personality.

EVALUATION: Follow the procedures for dissolution.

SUBJECT: Business Ownership and Management

MAJOR EMPHASIS: Review of the semester's work.

OBJECTIVE: To review and discuss the module.

GENERALIZATION: Business experiences are an extension of personal experiences.

REQUIRED MATERIALS: None

TEACHING STRATEGIES:

This is the concluding day of the module. The goal is for the class to review and evaluate the module. Three major areas should be reviewed.

The first area is the actual work of the business. All important facets should be examined: the workings of each department, the interrelationships between departments, financial operations, and stock sales. Also, the levels of organization, directors, officers, and workers should be evaluated.

This can be followed by an effort to extrapolate from the experiences of the module general business principles and information. These items can include: forms of business organization, what is liability, business finances, mechanisms of marketing, evaluating personnel, review of common corporation department operations, and so on. A major portion of the final review examination should be based on such material.

Finally, the course should conclude with a discussion oriented towards the future. A goal of this module is to acquaint and interest students in the possibilities of a business ownership career. Although few students have made a very specific, concrete selection of their life career at this point, most are in the process of choosing a general area. This is not necessarily a conscious or idealized decision. It can be conceived of as a professional/college, science, teaching, factory work, or business ownership path.

Through participating in this work, the student can make a more realistic appraisal of business ownership as a career option. Business ownership does not always fare well in competition for students' interest. In recent years the personal aspect of business has become less visible. This has developed through the process of consolidation, e.g., grocery stores absorbed by super markets and the submergence of the identity of the individual by the corporate entity. Consumer business interaction is commonly conceived as the buyer and a store employee. In turn, this has become such an expectation that the buyer often doesn't even recognize the possibility that the person behind the counter might be the owner of the business.

These and other misconceptions may detract from any appeal of a business ownership career. This curriculum, which should help to reverse such attitudes, can be explored on various levels. Acting out actual business operations creates a heightened understanding of business functions far beyond those grasped from a purely consumer vantage point. Exposure such as this creates a fuller, detailed image of a business venture, and the increased understnading of business mechanisms may allow some students to find facets of ownership which are appealing.

A discussion of the lessons drawn from actual business involvement and the development of an interest in a business career option have many possibilities. The students can be asked to give an oral or written appraisal of their work, as employee and as stockholder. They can be asked to compare their previous attitudes towards business with their feelings after this module. Both the successes and failures of this business venture are valid points of discussion. The successes may be an inspiration towards a career; the failures should be further evaluated by the class. Do they feel these difficulties are inherent to business, or are they problems that the students should study further? See if some students can view these problems, not as blocks to a business career, but as a challenge. The challenge is one of personal development and continued business education.

APPLICATION: Extrapolate from the experiences of the module general business principles and information.

EVALUATION: Articulate one's own views about business and business principles.

TEACHING GUIDES

SELECTING THE KIND OF BUSINESS

One of the main purposes of this module is to give the students as much practical experience as possible in the organization and operation of a small corporation. It is essential that the students, in choosing their particular kind of business, keep in mind:

1. The needs of the school and/or community. They should not choose something that would be a failure before it gets started.

2. The difficulty in setting up a particular type of business. In other words, can it operate well from the classroom or must it have special quarters or a full-time secretary? Does it require more capital than can be raised by the students? Would a great deal of equipment be needed that must be bought first?

3. The hours involved in order to make the corporation successful. School work is still very important, and the corporation must not be set up in a way that will demand too much of the students' time.

4. The willingness of the students to work for the corporation. If they are not in accord as to the type of business, then there might be a lack of willingness to work hard for the success of the corporation. It is ideal, of course, to choose a product or service business that has flexible duties so as to interest everyone.

The particular type of business will vary with student interest and the needs of the community. However, some suggested types of businesses are:

1. Personal services. The students would set up a list of services that they would offer to the community, such as: child care, lawn work, car washing, painting, repair work, part-time office work, etc. People would go through the corporation in notifying and hiring the students, and the fees would be paid to the corporation.

2. Selling. This might involve candy sales, cookbook sales, magazine sales, and various other such things that students or groups sell in the community. Handicrafts by the students might be included in this or homemade cades, cookies, pies, or breads.

Careful consideration should be given to all suggestions before the students make their final decision.

BOOKKEEPING SUGGESTIONS

Because the type of business selected may require specific types of records, it is suggested that the student in charge of financial management work directly with the bookkeeping or accounting teacher to create an appropriate record-keeping system. If that is not possible, an accountant who lives in the community may be called upon to assist.

CORPORATE COUNSEL GUIDE

The basis for the existence of any business is to provide products and/or services to the consumer. Yet no firm can survive by merely employing workers to provide services and products. In a modern, complex society almost any formal organization, just by existing, has many contacts with many different sorts of institutions, people, and businesses. To deal with such relationships, people with special skills must be employed. Perhaps the most common job in this category is the lawyer's.

A modern society regulates its activity through law. Without law, people could act as they wanted to without regard for one another or the society as a whole. This could easily lead to making a true story out of the standard cowboy movie with the vigilantes and bandits killing each other off. To prevent this situation, laws are written for whatever social problem needs to have standards set. For example, violence between individuals, such as murder or assault and battery, has always been a problem, and for centuries there have been laws which make these attacks illegal and punishable by society. Exploration of outer space has not made it necessary for a whole new set of laws to establish standards for how people and countries can operate on places like the moon. These are examples of how laws become necessary.

In the history of society, corporation law is fairly new -- a little over 100 years old. Until the industrial revolution, most businesses that existed were small, family affairs. After modern machinery came into use, business had to grow larger, and soon many industries were threatened by monopolies. In a monopoly, a company would be the only one making a particular product. For example, if AAA Match Company makes all the matches, it could raise its price without risking cheaper competition. Sometimes large companies grew by using bad business tactics, such as making deals or selling stock when the stock values were not based on the real values of the company. Sometimes they failed and the stockholders who had bought "watered stock" (stock with phony, too high values) lost the money they invested.

When the government found this was setting dangerous and threatening society and honest business people, new laws were created to control corporation activity. These laws are called corporate laws.

There are many corporate laws: federal, state, and sometimes local. In order to do business to provide products and services, a company not only needs equipment and workers, it needs a lawyer. Once a business decides to incorporate, it will have to obey corporate laws. This is true if the corporation is General Motors, and it is true if the corporation is Ma and Pa Grocery Store, Inc. The basic corporation law is the same for both. This may seem strange. Why should such different sized companies be under the same laws? As is often the case with legal matters, the answer is not simple.

Corporation laws were written with big companies in mind. They were written to prevent companies from committing harmful business actions. But along with fighting bad activities, the laws encouraged good business development. For example, lawmakers created strong supervision of business activities by the government. These laws alone may have made investors reluctant to buy stock, fearing the government would only hurt business by being too strict. To balance the effects of supervision, lawmakers also created benefits for corporations, such as no liability for individuals, thus encouraging investment.

Though big companies were the target of corporation law, all businesses have been affected. A common reason for incorporating is to be able to sell stock and, with the money received, expand the business. Some smaller companies incorporate not for money but for legal reasons. They feel it is to their advantage to go to the effort of incorporating in order to avoid liability. Therefore any size business now considers incorporating, if only for legal reasons. As a result, the corporate counsel is an important position. Major corporations, such as General Motors, have large staffs of lawyers who handle the company's legal affairs. A smaller firm may only hire a lawyer when needed or have one on retainer (meaning for a certain fee the lawyer is always available for legal consultation).

A corporation lawyer is needed from the creation of a corporation (incorporation) until its end (dissolution).

As the corporate council, you should read the instructions for the Articles of Incorporation and their explanation. (Teaching Guide Three and Handout Eight). At the first stockholders meeting, it is your duty to explain the Articles. Every state has a legal code with articles of incorporation. The ones you are using are those found in most states. Some of the language may sound strange, but this is the legal style of writing.

Once incorporation is completed. you will serve as a director of the corporation. Not every corporation has a lawyer on the Board of Directors, but many do to aid their decisions and sometimes to give the firm legal prestige. As a director, you will help make policy decisions and, when necessary, give legal advice.

EXPLANATION OF THE CORPORATE LAW

Incorporation: The state functions shall be carried out by the teacher.

Incorporators: The corporate counsel serves as notary public.

THE ARTICLES OF INCORPORATION

The following numbered points correspond to the Articles of Incorporation included in Handout Eight.

1. (a) The name shall not deceive the public as to the corporation's intentions. For example, if the class chooses to provide domestic yard and house services it could not be called Home Builders and Remodelers, Inc., because this suggests far greater services than the firm will provide.

(b) The state's corporate agency can be checked to guarantee no conflict with other corporate names. To avoid this, the school's name can be included in the corporate name; for example, George Washington Junior High School Bakery, Inc.

(c) Allow the class to choose its favorite form of corporate identification; for example, "Inc." As stated, this is to clearly identify the form of the business as a corporation instead of a single owner or partnership.

2. If a definite limited business activity has been agreed upon, it should be stated, preferably in less than 30 words. This is by no means a requirement. A general activity, i.e., home services, can be given as the activity. At least this form of definition is preferred to give the class a sense of direction or at least a defined boundary of activity. A classroom of students is not a functioning conglomerate and, therefore, does not need to seek the broad definition of engaging "in any activity or business permitted under the laws of the United States and of this State." Such umbrellas are for those corporations whose activity is more profit-oriented than determined by type of actual business activity. This module seeks to combine actual business activity with an understanding of corporate structure and function. With this balance taken into consideration, the class should have at least a general plan of work.

3. If not self-explanatory, refer to Handout Ten.

4. Normally state corporate law allows perpetual existence. This is an advantage of the corporate form in contrast to the limitations death places upon personal and partnership forms of ownership. However, the realities of the school structure restrict this section. Therefore, the counsel should explain the normal situation so that the realities of corporate business are understood, but the actual charter must restrict the duration of the corporation existence to the normal school year.

5. The registered agent is the corporation's legally responsible representative for the receipt of communications. This position has no meaningful duties in the school corporation. In actual functioning corporations, the agent receives legal notices and demands. Also, the agent receives any demands permitted by law, such as notice that an individual is suing the corporation. Though not personally legally responsible for corporate acts, the agent is legally responsible for receipt and acknowledgement of legal processes, demands, and notices.

6. Two factors should be considered in choosing the number of directors: (1) allowing maximum student participation and (2) not having so many they get in each other's way.

7. Self-explanatory

8. Self-explanatory

9. This is a standard article that allows the incorporators to set regulations on the internal workings of their corporations, as long as these proposals do not conflict with the law.

Dissolution

1. (a) The resolution to dissolve may read as follows: "Given the name of corporation stated in the Articles of Incorporation that its duration was to be no longer than the school year, and that period will soon expire, it is resolved that the Board of Directors recommends the dissolution of the corporation. This recommendation shall be submitted to a vote of the stockholders at the annual meeting."

(b) Have the Board decide upon the date, time, and place of the annual stockholders' meeting. Within three days before the meeting, have a notice posted where all stockholders can read it, and if possible, make an announcement to the school body about the meeting.

(c) This is mostly self-explanatory. The President's report should explain why the corporation is dissolving so stockholders will understand this decision. The resolution to dissolve can read as follows: "We, the legally voting stockholders of name of corporation, do solemnly resolve to voluntarily dissolve the aforementioned corporation, on this the (day) day of (month), (year)."

(d) Self-explanatory.

2. The teacher shall act as the state in carrying out these tasks.

3. This can be interpreted loosely by the Board of Directors. For example, if the corporation wishes to complete some sales it may do so. The Board must, however, set a date at which point all such business ceases.

4. (a) You must consult the Treasurer and see that any creditor is notified.

SETTING UP THE CORPORATION

Once the type of business has been agreed upon by the students, the actual steps in setting up the corporation are begun. First, acquaint the class with the functions of the Board of Directors and their duties; then hold an election for the Board members. You might give candidates a couple of days to "campaign" before the election. The class must choose at least five members, but not more than seven, depending on the class size. An uneven number is always best.

Once the Board of Directors has been elected, they then set up the corporation by, first, selecting the officers. Here you can use applications, resumes, interviews, etc. Take several days discussing the aspects of each of the above. Once those seeking the top positions have submitted their applications and resumes and had their interviews, then the Board of Directors must decide on the best qualified. These people, in turn, then accept applications, etc. from those seeking positions as managers, supervisors, and workers. Each class member must seek and be hired to some position.

The salary will be paid in stocks in accordance with the agreed-upon ratio scale. To collect their salary, the class/corporation members must sign in for each class period (they get their shares for each day they sign in and work for the corporation), and if there are special stockholder meetings, they must attend these also, signing in to get shares for attending. The members may also set up other stipulations for receiving stock shares, depending on extra work and "overtime." This way the students have a chance to accumulate more shares and get involved in the business

Once the top officials have been selected, then the corporation should have its first stockholders meeting. It will be just organizing at first, but later the class should really get into the running of the business. You might experiment with setting aside one day a month for a standing stockholders meeting.

TEACHERS'S GUIDE TO BOARD OF DIRECTORS

The directors' positions can have varied applications within the course. Following the model of an actual Board of Directors, this group is the primary decision-making body of the class business. Depending upon the variables within the class, such as creativity, self-responsibility, and motivation, there are numerous options for the Board to perform.

On a fairly simple level, the Board can be composed of students who will also lead the corporation as officers. In other words, the President will be Chairman of the Board, the Treasurer will be company Controller, and the Vice-Presidents will serve as department managers. This concentrates duties and responsibilities among a small group. Such a framework tests the abilities of the student-directors to exercise leadership and initiative. It may provide an interesting lesson to the students when a very defined power hierarchy is imposed upon the class where normally any power alignment is only de facto. The pupils' self-images as leaders or followers may be reevaluated after exposure through the corporate structure.

Another option is role-playing by the Board members. In this situation, the Board could seek to replicate the composition of the Board of an actual major corporation. Students would act out roles as bankers, lawyers, religious leaders, and so on. Interested pupils acting in such roles would be able to explore the attitudes and duties of these careers. They may research their role by reading and speaking to appropriate individuals. Community people may be asked to perform as shadow egos for a Board session. As a shadow ego, the community person sits behind his Board member and suggests alternatives, ramifications, etc. During the Board meetings, they would evaluate corporate policy through their understanding of the particular career role. After the meeting is formally adjourned, the class could critique this interpretation of the role.

An approach involving role-playing develops the creativity and critical skills of the students. Though an element of the student-actor's model may be drawn from the media (e.g., Perry Mason, the lawyer), business perspective should help to balance the performance. As a corporation director, the student lawyer's role is perhaps less dramatic than that of a glamorous television-style trial lawyer, but it is far more realistic. The problem of idealized versus realistic career images should be explained to the class. They can then test and expand this lesson as actors and critics of the director's performance.

Another option involves going beyond the resources of the class. If the teacher's relationship with other colleagues makes it feasible, students from other classes could participate on the Board. In this instance, Board objectivity would be heightened through the involvement of pupils with no other direct involvement in the business project. These directors can challenge business practices with greater willingness than class members.

Regardless of how the Board is constituted, a basic relationship shall be in operation. Those students on the Board have an opportunity for self-expression and responsibility for guiding class direction. The remainder of the class must serve as critical observers. They evaluate and advise the directors in the performance of their roles.

PERSONNEL DEPARTMENT

Because of the several limitations, the Personnel Department cannot fully duplicate the actual operations of a real corporation. The problem is that the major tasks of an actual Personnel Department are the selection, formal hiring, and release of employees. Such powers cannot easily be granted one student over the remainder of his classmates. Too many social complications may result. Fortunately, there are other activities that a Personnel Manager can carry out, and therefore it is worthwhile to create this position.

Aside from officers and specialized positions, the class shall work as production and/or service employees. Directors shall be elected, and they shall select other managerial workers. The Personnel Director, once selected, shall perform the following duties:

The Director should request resumes from all managers, officers, and directors. Given the limited work histories of the students, such resumes would consist largely of the employees "selling" their qualities. (See Handout Six, Sample Resume.)

All employees shall be required by the Director to record their working hours. Using copies of the time sheets, the Director shall be responsible for a weekly collection of the sheets and a totalling of employees' working hours.

An optimal Personnel Director work project would involve the student-director making a report on how a company recruits employees. Such a project would involve the Personnel Director researching the newspaper want ads, the activity of employment agencies, and intracompany promotions and screenings. The Director should attempt to understand the general workings of these areas. He could then develop types of want ads, explain the procedures of applying at a job agency, and discuss what an actual corporate Personnel Department looks for. All of this information would be given in a classroom presentation.

Particulary if the above activity option is used, the selection of the proper student-director is important. Guide the Board of Directors towards the selection of a student who is capable of independent research and study. The Personnel Department acts on the recommendations of supervisors, particularly when an employee is to be released from employment. The person holding this job must be discreet and cognizant of the needs of others.

Forms

Almost any business, large or small, needs business forms to operate efficiently. Of course, jokes are made about "paper shufflers" who spend all day playing with forms for no good reason. This is not, however, proof that forms are a waste. Like anything else, it is a question of how the forms are used. For example, in a small grocery store it would be silly to keep files on long-distance phone calls because few would be made. If the store only employed two full-time and three part-time workers, it would not be necessary to keep detailed personnel files and performance records. For a grocery store it would be crucial to keep careful, up-to-date inventory records and cash register sales tapes. For a grocery store manager, careful inventory records may be the key factor of whether the business survives.

In using business forms, the main consideration is always--how do they aid your business operation? Below is a description of various business forms. Refer to the enclosed samples and think about how they may be valuable to different types of businesses.

Personnel Forms

These are forms that are used in keeping records of employees. If a company has a Personnel Department, it usually has responsibility for these forms. There are two major purposes for keeping such records. The first is operational efficiency. Using these records, a manager can determine where a worker will be most valuable or which of his workers is most likely to benefit from special training, and so on. The second reason is to protect the company. Keeping careful attendance and performance records is important to support the company if it becomes necessary to fire an employee. Laws protect workers from unfair firings. It may be necessary for the company to prove to the government or a union that its decision was justified.

Application for Employment:

This is the first form for an employee's file. It is the first step in the "screening process." Screening means the employer has certain requirements for the position he is trying to fill, and through a number of steps, he screens out the applicants until he has a small group of the most qualified people. The application gets the most basic information. The personal information is needed to contact the applicant. Height and weight may be important to consider, especially if physical labor is involved or the work area is limited. Employers ask about marital status, not because they are nosey but because they know that married people are usually more stable workers. They ask about rent, number of children, and so on to decide whether the applicant will be satisfied with the salary they are offering.

The applicant is asked what date he can start so the employer will know if he is available when needed. Salary desired is asked to see if the applicant's desires are similar to what the employer can offer.

The question concerning a previous application to the company is asked because if the applicant did apply before, it may be important to see why he wasn't hired.

An educational history is asked to see if the applicant meets any educational requirements the job may have. The same is true for special subjects and foreign language skills.

Military service and activities history are sometimes used to evaluate an applicant's character.

Asking for the names of former employers is a means of getting a work history. The interviewer can get a better feel for the applicant's experience, past salaries, and so on. If the applicant was fired from a number of jobs, this would indicate problems. If he advanced in salary in each job, this may indicate a potentially valuable employee.

References are requested to determine character qualities. In filling out this section, it is important that the applicant give references who are clearly responsible people. Even though a personal friend may know you best, he doesn't necessarily impress an employer. Religious leaders, former employers, doctors, or teachers are all good sources for references.

The medical record is needed in case any physical problems would prevent the applicant from performing the job. Such information may also be required by the company's insurance firm.

The emergency notification information is crucial to the applicant if he is employed and is in an accident or becomes ill.

The remarks section is used by the person who processes the application. He may take notes on the applicant to supplement the information asked for on the application.

Questionnaire. Some of the information asked for here duplicates that of the application for employment. This form, however, is used for an active employee's file. The questions about allergies and drugs may be important if the employee is ever injured or becomes ill on the job and requires treatment.

Employee Performance Review. Generally an employee's work record is evaluated about twice a year. This is done by the employee's immediate supervisor and then filed by the Personnel Department in the employee's records. These reviews can be used to justify promotions, raises, demotions, and dismissals.

Position Description. This form is used when a department needs a new employee. The Department manager completes this form and forwards it to the personnel officer who can look for possible applicants.

Personnel Action Notice. This is a general purpose action form. It covers numerous actions such as payroll, status, or personal changes. The supervisor may make the change and then send the form to the appropriate department, such as bookkeeping, personnel, or so on.

Overtime Permit. Since overtime work is usually paid at a higher rate than normal, the employee and his supervisor must justify this payroll increase.

Absentee Report and Absence Record. A company depends on the steady work of its employees. Obviously people get sick and have crucial personnel concerns (i.e., funerals, weddings) for which the company makes allowances. Continued absences, however, may hamper work output, and the company must then consider actions, including dismissal. By examining absence records, it can be determined if the employee had good reason, such as an incapacitating injury. If so, the company may decide not to dismiss the employee, which would have meant the added expense of training a new person. On the other hand, if there is no good explanation for the absences, dismissal is probably in order. Regardless of the action taken, the records must be available to support it.

Time Sheet. This is used to record working hours. In some situations, employee's hours are charged to a specific contract or account; that is why this form has columns. Note that the sheet must be approved by a supervisor.

Payroll Change Notice. This form is filled out by the supervisor and sent to the payroll clerk. It is an official note to make a change in an employee's payroll record.

Travel and Business Expense Report. In a business in which employees travel, this form is important. This is especially true for salespeople. Many companies pay mileage; that is, a certain amount (usually between 10 and 15 cents per mile) to pay for the employee's gas, oil, and wear and tear while using a car for company business. Depending on the situation, the company may also pay for meals, parking fees, long-distance phone calls, and so on. If the employee entertains people for the sake of company business, this also may be paid for. All of this money must be accounted for, for company reference and also for government tax records.

Supply Request Form. This form is used by a department needing supplies. It may be filed and referred to later by a purchaser or the treasurer.

Inventory. This is used when inventory is taken. It is important that such records be up to date and as thorough as possible.

Petty Cash Voucher. Any employee who requests petty cash from the bookkeeper should use the voucher to account for the money. The bookkeeper needs this slip to explain the withdrawal from the petty cash fund.

SALES DEPARTMENT

The Sales Department is responsible for marketing the corporation's products and/or services. In an actual business, some members of management or designated salesmen often have sole responsibility for marketing. A student corporation, of course, operates in a different environment. Customers will be almost exclusively fellow students, family, neighbors, and local businessmen. Therefore, it may be more practical to allow all students to represent the corporation in sales.

The Sales Manager

Regardless of how sales work is distributed, at least one student should be chosen by the Board of Directors as Sales Manager. This student should be responsible for all sales activity. The initial task is learning the major aspects of sales work and then making a presentation to the sales personnel (the class).

Class Presentation

If possible, the Sales Manager should lead the class discussion of sales. If the teacher feels this student is not capable of such independent activity, he should assist the Sales Manager in the presentation. The discussion outline is given in the Sales Manager's guide. In talking about sales, have the class discuss their personal experiences. Try to have them illustrate from these experiences both good and poor sales techniques, such as low-key approaches, hard sells, the overly friendly salesperson, and the salesperson who has no real knowledge of his product.

Try to have the class get an image of proper sales techniques from this discussion. Be sure the student salespeople also understand their product or service so that misrepresentation will not occur.

PRODUCTION DEPARTMENT

Most class members will participate in the corporation as production workers. It is acceptable to have students who are employed as officers, directors, or managers of other departments to also work as production employees.

As part of the incorporation process, the class will decide upon the business activity of the corporation. The next step is the selection of a Vice-President of Production or Services. The individual should possess two key personal attributes--an ability to organize and the ability to hold the respect of his peers.

At the first Board of Directors meeting, the Vice-President of Production should discuss the needs of his department with the Board. The areas of need are listed in the Production Manager's guide. Production guidelines should be set at this meeting. Also, as discussed in the guide, the Board should carefully supervise the planning of operations. Reasonable estimates of supply and equipment budgets, production site selection, and production schedules must be developed to insure a viable corporation.

Following the Board meeting, the Production Manager should hold a meeting with his workers. The list of needed supplies and equipment should be reviewed and revisions made. Then, a worker (or workers) should be chosen as Agent to procure whatever is necessary for production. See that the Purchasing Agent investigates the best arrangement for purchasing. For example, the Agent should compare the prices of a local small store with that of a large, national chain store selling comparable merchandise.

The Production Manager is responsible for selecting a work site.

PAYROLL COMPENSATION

A student corporation cannot pay its employees cash because of many factors, not the least of which is that this is not a purpose of the module. Some form of compensation, however, is desirable to formally illustrate the various aspects of a business payroll. A fairly simple solution is found in substituting corporate stock for cash. Student-employees will then receive payment for services rendered, plus a greater voice in stockholder affairs.

To give this system a degree of realism, a chart of payments is outlined below for the successive rungs of the corporation's employment system.

Position	Payment Upon Incorporation	Shares per Hour Worked
President	14 shares	4:1
Vice-President	10 shares	3:1
Treasurer	10 shares	3:1
Secretary	10 shares	3:1
Attorney	10 shares	3:1
Manager	6 shares	2:1
Worker	4 shares	1:1

The payments for participating in the incorporation process have no relation to actual payroll mechanisms. This is simply a means of providing the students with voting power proportional to their role in the business. Though by no means a hard and fast rule, it is common occurrence in smaller corporations that officers have large blocks of stock and control of the firm.

The teacher or the Board of Directors can determine the base number of shares for each position. This system is designed to show the graduations of the pay scale which correspond to actual job positions. The workers will be paid by work done; for example, if the President does a worker's job he gets worker pay.

The other major factor of a payroll is taxes. Although they are not directly used in this pay system, a discussion of payroll taxes is included in this section.

SALARY COMPENSATION

Each corporation employee and officer will get a "salary" (shares of stock in the corporation) depending upon his position in the corporation. The corporation member will receive these shares by--

1. Attending class. The employee and official must sign in each day. If he or she does not attend class, then he or she will not receive that day's "salary."
2. Attending stockholders meetings called at a time other than class time.
3. Performing the work assigned by the corporation: selling, producing goods for sale, etc.
4. Doing extra work or putting in what might be called "overtime."
5. Anything else that might have been agreed upon in the initial incorporation of the company.

The shareholder will soon learn that extra shares mean extra votes, and the more votes a stockholder has the more power he or she has in the running of the corporation. Students may also set up a system of buying and selling shares for favors, etc. Be sure that a correct record is kept of any transaction regarding shares of stock.

TAXES

Though this corporation has no real tax responsibilities, it is important to learn how taxes affect business and why they are necessary. Taxes on wages and salaries are called payroll taxes. The federal government collects three types of payroll taxes.

Income taxes are often called "withholding taxes" because they are withheld from the employee to be used for paying federal income taxes. At the end of the year, a person figures out how much income tax he owes the federal government. The money withheld during the past year is used to pay these taxes. If too much was withheld, the person receives a refund. If too little was withheld, the person must pay whatever is owed. Income taxes are used to run the operations of the federal government. This is an employee-paid tax.

Social Security taxes are formally called Federal Insurance Contribution Act (F.I.C.A.). Social Security was created during the depression of the 1930's. Older people often have no way of making money to support themselves. There are many reasons for this, such as a lack of a job, not enough family assistance, or no pension from former employers. To help older people, the federal government now collects F.I.C.A. money throughout a person's working career. When a man reaches the age of 65 and a woman the age of 62, they can start receiving payments from the Social Security fund for the rest of their lives. At the present time, 5.85% of the employee's wages up to $10,500 annually are withdrawn through F.I.C.A. deductions. The person's employer must also pay an amount equal to 5.85% of the employee's wages up to $10,500. F.I.C.A. is not technically classified as a tax.

Federal Unemployment taxes are collected to provide funds for unemployment compensation. Each employer of over four people is required to pay the tax at a current rate of 3.28% of an employee's wages. This is not an employee-paid tax.

Some state and localities (such as cities) also collect payroll taxes. These include wage and income taxes.

All of these taxes combined may take a fairly large part of the person's wages. For example, an unmarried person declaring no dependents with a weekly salary of $160 pays $23.90 in income taxes and $9.36 in F.I.C.A. These taxes equal $33.26. So, with federal government taxes alone, a person earning $160 a week would take home only $121.49. For people in urban areas, even more is likely to be taken out. For example, in Philadelphia, Pennsylvania, a person must pay a 3.3125% Philadelphia city wage tax and a 2.3% state income tax. For a $160 a week employee, this means he must pay $5.30 in city wage taxes and $3.68 in state income taxes. Subtracting these and the federal taxes from $160 leaves $112.51 in take-home pay.

High taxes are now a fact of business life for the owner and the employee. People argue for and against taxes. Of course, no one likes high taxes, but there is a real need for some type of taxation. The government provides social services, such as education, health care, transportation, and so on. Tax money pays for these things. These services are necessary to keep the country going.

There are different types of taxes, such as payroll, sales, and income; and they can be taxed at different percentages. People can help decide which types of taxes will be used and at what amount they will be collected by putting pressure on their political representatives who set tax laws.

STUDENT HANDOUTS

SINGLE PROPRIETORSHIP OR SOLE OWNERSHIP

The single proprietorship or sole ownership is the simplest form in which a business can be conducted. Because it is so simple, it is the cheapest form to organize, from the child with a lemonade stand to the owner of the corner drugstore. The proprietor is the only owner of the business and has complete control over it. He cannot be fired, and he has a chance for higher income because he can collect a salary plus a profit or return on his investment. This is true even if he cannot operate his business by himself but must hire employees to help him. However, as sole owner of the business, the proprietor is personally liable on business contracts. His house, car, and other personal belongings may be taken from him if the business fails and money is required to cover debts. He is also responsible for any negligent acts and other offenses committed by employees within the scope of the enterprise's activities. In other words, if any employee does something illegal relating to the performance of his job, the owner of a single proprietorship is responsible for it, even though he didn't know about the illegal act or authorize the employee to do it.

A person who plans to open a business must consider his own background, his education, experience, likes, and dislikes. In other words, a person who knows nothing about car mechanics should not consider opening a car repair garage unless he plans to hire a person who does know mechanics to work with him. Even then, he should understand the business well enough to monitor it. A person considering opening a business should also consider other people's needs. He should consider whether the people of his community need his type of business. If they don't, he may find himself very quickly out of business. If it is needed, he may have an excellent chance for growth and expansion.

Both men and women can decide to become business owners. Their chances for success depend upon their individual strengths and weaknesses. Although we often think of a certain type of business as being one that only a man would own or one that only a woman would own, such thinking is really out of date. Men own dress shops and women own construction companies. Business ownership, perhaps more than any other career choice, permits the individual to turn his or her interests and abilities into a lifetime career.

PARTNERSHIP

The advantages of the partnership form of business lie in the ease and speed of its formation. Also, the cost to set it up is small.

A partnership refers to a business conducted by a number of persons who have the status and authority of owners or principals. The Uniform Partnership Act defines the partnership as "an association of two or more persons to carry on as co-owners of a business for profit." The creation of a partnership ordinarily involves the contribution of the capital or foundation of the business; that is, property, money, skill, or labor by the participants.

It has no limitation by charter. There are only self-imposed limitations by agreement or contract among the co-owners. A carefully prepared written or oral agreement is not essential, and when partners do enter into a written agreement defining their relations and specifying how profits and losses are to be divided, it is purely a private document. There is no requirement that such an agreement, called "articles of partnership," be filed with a public agency. The parties to the agreement are free to include in it almost any details they wish.

ADVANTAGES OF THE PARTNERSHIP

1. Ease of formation
2. Specialization of functions by partners
3. Low start-up costs
4. Additional sources of venture capital
5. Broader management base
6. Limited outside regulation

Businessmen often think of the partnership as a unit separate and apart from the persons who are partners. Although it is treated for accounting purposes as such a unit, the law usually does not regard the partnership as a legal entity. Legally, it is simply a number of individuals. The assets of the business are viewed as belonging to the partners, and they are personally responsible for its debts.

DISADVANTAGES OF THE PARTNERSHIP

1. Unlimited liability (on the part of the partners)
2. Lack of continuity (if a partner dies)
3. Divided authority and responsibility
4. Difficulty in raising additional capital

Members of a partnership have equal rights in the firm's management and in the conduct of its business. Persons dealing with the firm are not affected by agreements among the partners which limit the authority of some partners, especially if the outsiders do not know of these agreements. Each partner is an agent of the firm and of the partners. Therefore, even a partner who is not particularly experienced or skilled in business affairs has the power to enter into contracts or other transactions which will be binding on his copartners. This drawback in the partnership form in part explains its limited use by large businesses.

Some of the problems in partnership are avoided by limited partnerships, which limit the liability of those who do not want to be general partners. Creditors must be notified of the limited liability provided in the partnership articles.

TIPS FOR FORMING A PARTNERSHIP

Choosing the right partner or partners is of great importance. Someone should be chosen who will respect the partnership agreement and carry out his responsibilities to his partners and the business. Sometimes, in addition, partners are chosen for their particular skill necessary to the business. For example, there might be a need for a garage in the community. Mr. Smith has the capital to invest in a business, but he doesn't have the experience necessary for operating a garage. Mr. Jones has the experience, but not the capital. The two people can combine in partnership and open a garage.

Once the individual has found the right partner or partners, an agreement or contract should be developed containing the following:

1. The type of business to be formed
2. The amount to be invested by each partner
3. How the profit and losses are to be divided
4. The responsibilities and power of each partner
5. The compensation, if any, to be paid to each partner
6. How the assets are to be divided in case of dissolution of the partnership
7. How differences of opinion are to be settled
8. The length of the partnership and the manner in which it is to be dissolved
9. Provisions for the withdrawal of partners and the admission of new partners
10. Anything else of importance about which there might later be some dispute.

If partners cannot agree upon dissolution, the court will dissolve a partnership if the partner (or partners) are shown to be of unsound mind or otherwise incapable of carrying out his duties or if a partner has been guilty of conduct that would make it impossible or impractical for him to carry on the business. The court may also rule in favor of dissolution if the business can only operate at a loss.

CORPORATION

The corporation is an association of individuals that has a separate legal personality; in other words, it is recognized by law as having an existence separate and apart from the individuals (shareholders) who own it. Rights, duties, and other legal relations arising out of the enterprise are adjusted as though the corporation were a separate individual. The shareholders have in theory only an indirect interest in the assets of the corporation, which is represented by their right to share in dividends and in the distribution of corporate assets on liquidation. The corporation holds property, enters into contracts, transfers property, and conducts legal matters in a capacity separate and distinct from its shareholders. The separateness of the corporation is also generally recognized for tax purposes, the corpotation being considered a "tax entity."

ADVANTAGES OF THE CORPORATION

1. Limited liability
2. Specialized management
3. Ownership is transferrable
4. Continuous existence
5. Legal entity
6. Possible tax advantage
7. Easier to raise capital.

The corporation is sometimes referred to as "a creature of statute." This means that a corporation can only be formed by compliance with requirements set forth in the corporation statutes of the state where the corporation is being organized. Incorporation papers setting forth certain basic information, such as the corporation's name, the business it is to conduct, and its capital structure, must be prepared and filed with certain responsible public officials. Such a document is referred to as the "charter," "articles of incorporation," or "certificate of incorporation."

Unlike the partnership, whose internal operations can be governed entirely by a private contract, a corporation's financial structure and management pattern must conform, in some degree, to standards set out in the corporation statutes. For example, a common prerequisite to operation as a corporation is that a specified minimum amount of capital be contributed by the organizers of the business.

The traditional advantages of the corporation are usually listed as follows: (1) The liability of the shareholders on business obligations, and therefore their risk, is limited to the amount they pay for their shares. (2) The management of the enterprise can be centralized in a Board of Directors, thereby permitting selection of experts as managers of the business (whether or not they are shareholders) and excluding from management any persons among the owner group who do not possess desired skills or experience. (3) The enterprise has a continuous existence; i.e., the business organization is not dissolved by the death, insanity, or withdrawal of an owner. (4) An interest in the business, evidenced by stock certificates, is easily bought or sold, thus usually permitting a dissatisfied owner to withdraw from the enterprise without serious financial loss. (5) Capital can be attracted in larger amounts and more readily than when some other type of organization is used. Many of these traditional advantages of the corporation form are really not necessary or desirable in most small enterprises.

DISADVANTAGES OF THE CORPORATION

1. Closely regulated
2. Most expensive form to organize
3. Charter restrictions
4. Extensive recordkeeping necessary
5. Double taxation.

BUSINESS TELEPHONE MANNERS

1. Remember that the telephone is a mirror; it reflects your personality from your voice. Make sure it reflects a friendly personality.

2. Remember that business calls are important to the person calling. Never be curt or indifferent, but always courteous and helpful.

3. Don't blurt, "Hello," but give the name of your company: "This is the Larson Insurance Company."

4. Don't ask gruffly, "Who's calling?" But ask "May I tell him who's calling?"

5. Don't use that evasive phrase, "He's in conference." Be specific: "He's in a meeting," or "He's on another line right now." Then help the caller by finding someone else to talk with or another time he can call back.

6. Don't say brusquely, "Hold on," but "Do you mind waiting while I check that for you?" Then when you return to the telephone, instead of a blunt, "Yes, it's in stock." begin courteously with "Thank you for waiting."

7. Don't dismiss a person with, "Mr. Jones is handling that," but say, "Mr. Jones is handling that. I'll be glad to transfer you."

8. Be conversational instead of formal. Say "I'll see," not "I shall see," and "I'm sorry," not "I am sorry."

Handout Five

CALLING FOR AN INTERVIEW

Remember that when you make a telephone call you interrupt the other person without regard for his convenience, leisure, or duties at the moment. Be considerate. Make the call brief. Brevity is the first essential of telephone courtesy. Also remember that the telephone is a mirror; it reflects your personality. Be sure that you speak clearly, giving your name so the other person can understand. State your business, but always in a polite, pleasant voice whether you are speaking to the secretary or the official himself.

SAMPLE RESUME

NAME:	James Jones
ADDRESS:	425 Maple Street Anytown, Illinois 19175
PHONE NUMBER:	863-5789
POSITION:	Personnel Director
EDUCATION:	Kindergarten to sixth grade, Martin Memorial School, Anytown, Illinois--1965-1972 Lincoln Junior High School, Anytown, Illinois--1972-1973 Currently enrolled in the ninth grade at Lincoln Junior High School
QUALIFICATIONS:	Mr. Jones has done much independent study. In the sixth grade he completed a long report on the history of the Soviet Union. At Lincoln Junior High School he has continued independent study and reading. Mr. Jones is good in basic mathematics and can keep records and neat files. Mr. Jones gets along well with others. He has been in several clubs. Currently he is a member of the Drama Club.

Handout Seven

THE INTERVIEW

In the interview you will be judged by your appearance, voice, posture, ability to use spoken English, and the evidences you display of desirable personality traits.

Prepare yourself for every interview. Know the name and the business title of the person on whom you plan to call. Get all the factual information you can about the individual who is going to interview you. Is he college trained or "self-made"? Is he a stickler for form, or will he put you at ease right away? Has he any special interest, any hobby that may be a common ground upon which you may stand in the interview? The more advanced information you have, the better able you will be to judge what your responses and reactions should be and the better your chances for making a favorable impression. Know the outstanding features of the business in which you are interested. Have with you samples of your school work that illustrate your familiarity with specific procedures. Be ready to talk about your accomplishments. Aim to sell yourself.

The purpose of the interview is to give you the opportunity to sell yourself. What have you to offer that the employer needs and wants? Unless you can present evidence and use arguments that will convince him that you will be an asset in his organization, there will be no sale.

If a time has been set for the interview, be on time. Be sure that your appearance, manner, posture, and speech measure up well, judged by business standards.

In applying for a position, you want to be prepared to state effectively your experience, your training, and your qualifications for the work. In short, you want to be able to come to the point and tell a prospective employer why he ought to hire you. Also, once you are there, you may want to learn more about the work, the firm, and the person under whom you would work. You may even write out a list of questions and hold it openly in your hand, for no employer worth working for dislikes having an employee ask pertinent questions.

Remember, the person to whom you apply must in a few minutes draw conclusions about your fitness. He may later find out more about you from other persons who know you (your references), but during the interview itself, he must learn enough to find out whether you are worth investigating. On the other hand, you must learn the basic facts of the position you are trying to get, the responsibilities and duties involved, and the salary to be paid.

GENERAL CORPORATION LAW

The following general laws are provided for the organization of corporations.

Incorporation

Peoples seeking incorporation may do so by filing with the state a certificate of incorporation.

Incorporators

Three or more persons may act as incorporators by delivering to the state articles of incorporation for such corporation which have been signed and acknowledged before a Notary Public.

Articles of Incorporation

The articles of incorporation shall set forth:

1. The name of the corporation in accordance with the following stipulations.

a. The corporate name shall not contain any word or phrase which indicates or implies that it is organized for any purpose other than one or more of the purposes contained in the articles of incorporation.

b. The corporate name shall not be the same as, or confusingly similar to, the name of any corporation, whether issuing shares or not issuing shares, existing under any act of this State, or any foreign corporation, whether issuing shares or not issuing shares, authorized to transact business or conduct affairs in this State, or a corporate name reserved or registered as permitted by the laws of this State.

c. The name shall include the word "company," "corporation," "incorporated," or such other word, abbreviation (i.e., Inc., Corp.) affix, prefix, or suffix, as will clearly indicate that it is a corporation instead of a natural person or partnership. Regarding Section 1-b above, the use of such words, prefixes, etc. shall not alone be sufficient to distinguish the name of one corporation from another.

2. The general nature and purpose of the business to be transacted or a statement that the corporation may engage in activity or business permitted under the laws of the United States and of this State. Such statements shall authorize all such activities and business by the corporation.

3. It shall be stated clearly all regulations about stock, stock classes, dividends, voting rights of the shareholders, and all other business, rights, and duties of the members of the corporation and its shareholders.

4. The period of the corporation's duration shall be no greater than one year. This period shall be based upon the school year. Incorporation must be prepared within thirty (30) days after the start of classroom sessions.

5. The address of the initial registered office, being the school's address including the street and number, if any, and the name of the initial registered agent who is a resident of the state, and a member of the Board of Directors.

6. The number of directors constituting the initial Board of Directors and the names and addresses of the persons who are to serve as the initial directors. There shall be at least three initial directors.

7. The corporation shall have at least three officers elected from the membership of the Board of Directors. The three required positions are president, secretary, and treasurer. All officers shall be student-directors. If chosen before incorporation, their number, names, and addresses shall be included.

8. The number, names, and addresses of the incorporators.

9. Any other provision, not contrary to law, which the incorporators may choose to insert for the further regulation of the conduct of the affairs of the corporation or any provisions creating, dividing, limiting, and regulating the powers of the directors, officers, or stockholders. These regulations shall be in effect until the Board of Directors, in meeting, chooses to develop bylaws.

Dissolution

1. Election to dissolve voluntarily by act of corporation. A corporation may elect to dissolve voluntarily and wind up its affairs by the act of the corporation, in the following manner:

(a) The Board of Directors shall adopt a resolution recommending that the corporation be dissolved voluntarily and directing that the question of such dissolution be submitted to a vote at a meeting of stockholders which may either be an annual or special meeting.

(b) Written or printed notice stating that the purpose, or one of the purposes, of such meeting is to consider the advisability of voluntarily dissolving the corporation shall be given to the stockholders of record entitled to vote at such meeting within the time and in the manner provided in this code for the giving of notice of meetings of stockholders. If such meeting be an annual meeting, such purpose may be included in the notice of such annual meeting.

(c) At such meeting, a vote of the stockholders entitled to vote thereat shall be taken on a resolution to dissolve voluntarily the corporation, which shall require for its adoption the affirmative vote of the holders of at least two-thirds of the outstanding stock entitled to vote at such meeting.

(d) Upon the adoption of such resolution, a statement of intent to dissolve shall be executed in duplicate by the corporation by its president or a vice-president and, verified by him, shall set forth:

(1) The name of the corporation.

(2) The names and respective addresses, including street and number, if any, of its officers.

(3) The names and respective addresses, including street and number, if any, of its directors.

(4) A copy of the resolution of the stockholders authorizing the voluntary dissolution of the corporation.

(5) The number of stocks outstanding.

(6) The number of stocks voted for and against the dissolution of the corporation, respectively.

2. Filing of statement of intent to dissolve. Duplicate originals of the statement of intent to dissolve by act of the corporation shall be delivered to the State. If the State finds that such statement conforms to the law, it shall:

(a) Endorse on each of such duplicate originals the word "Filed," and the month, day, and year of the filing thereof.

(b) File one of such duplicate originals in the State office or its representative.

The duplicate original returned by the State shall be filed for record.

3. Effect of statement of intent to dissolve. Upon the filing by the State of a statement of intent to dissolve, by act of the corporation, the corporation shall cease to carry on its business, except insofar as may be necessary for the proper conclusion thereof.

4. Proceedings after filing of statement of intent to dissolve. After the filing by the State of a statement of intent to dissolve:

(a) The corporation shall immediately cause a notice thereof to be made to each known creditor of the corporation.

(b) The corporation shall proceed to collect its assets, convey and dispose of its properties, pay, satisfy, and discharge its liabilities and obligations and do all other acts required to liquidate its business and affairs and, after paying or adequately providing for the payment of all its obligations, distribute the remainder of its assets, either in cash or in kind, among its stockholders according to their respective rights and interests.

THE FIRST STOCKHOLDERS' MEETING

To a certain degree, the class corporation will not faithfully duplicate the workings of an actual corporation. Often a real firm is controlled by a small group of majority stockholders who hold a decisive block of shares. Because of the classroom nature of this corporation, there shall be far more democratic stockholder involvement. Generally, the Board of Directors strongly dominates the general stockholders. Quite often, a stockholders meeting may not be held until the corporation is well under way. In the classroom situation, the scenario shall be partly reversed. The shareholders shall meet first and select the directors. From that point on, the Board will assume a more normal control over the business.

The incorporators shall convene the meeting. They must announce to the class their intention to form a corporation. The intended business of the corporation is then outlined and an appeal for stock purchases is made. Following this presentation, the potential buyers (the remainder of the class) may make inquiries of the incorporators regarding the business. Such questions should be encouraged even if the class is familiar with the proposal. Some students may be primed to role-play dissent. The critical attitude duplicates an actual stock purchase decision.

Once the audience is satisfied, stock orders and payments can be taken. The incorporators must appoint one of their number to act as temporary treasurer and record all sales. These files should be presented to the permanent Treasurer following his selection. Actual stock certificates shall be distributed once the Treasurer's department is in operation.

When the orders and payments are completed, each stockholder has one vote per share. Stockholders now begin the development of the corporate organization. As a first step, the President/Chairman of the Board of Directors shall be elected. The incorporators oversee this election, taking nominations and tabulating votes.

With the election of the President, the incorporators formally relinquish their positions, becoming regular stockholders. The President assumes the chair and control of the meeting.

An agenda is to be drawn up now by the stockholders. Items to be considered include:

1. Completing the corporate structure by electing the remaining directors. These should include a Vice-President of Personnel, a Vice-President of Operations, a Treasurer, and a Secretary. Before each election, the teacher should give a brief description of the positions's responsibilities. If the stockholders are already familiar with these it will serve as a reminder. The Vice-President of Personnel, Vice-President of Operations, Secretary, and Treasurer's responsibilities can be taken from the Teacher's Guide reviews of the respective jobs. Once the Secretary is chosen, he should immediately begin taking minutes of the meeting. Someone else must have taken notes to this point.

2. Selecting the time and place for the next stockholders' meeting. The authority for calling such a meeting, setting the date, and conducting the meeting should be invested in the Board of Directors. Probably the classroom would serve as the location for the meetings.

3. Maintenance of stockholder records. The Treasurer shall be made responsible for keeping such stockholder records.

4. Terms for issuance of new certificates for shares lost, stolen, or destroyed. Such losses should be reported to the Treasurer. The certificate numbers shall then be nullified and new shares issued as replacement.

5. Bylaws defining, limiting, and regulating the exercise of authority of the corporation, the directors, the officers, and the shareholders. (limiting what they can do so as to keep it inside the school.)

6. Appointment of committees of the Board. (use of committee may not be too good for regular class size.)

7. Set the number, qualifications, terms of office, and compensation of the directors. The number of directors should be at least five. If more than five, an odd number should be used to prevent tied, deadlocked decisions. It is probably most feasible to have directors serve the duration of the corporation's existence. If the class is highly flexible and adaptable, the positions can be rotated.

8. The titles, duties, terms of office, and compensation of officers. The power to establish titles and duties should be waived by the stockholders and given to the Board. The rationale for this is that the Board shall establish the operational structure and should have the freedom to set these factors. The term of office for officers should be the same as for other directors.

9. Any other bylaws for the corporation. (whatever they see fit to incorporate.)

Finally, the secretary should place the names of the directors and officers and any other relevant additions in the Articles of Incorporation. With this information, the Articles are completed and the state (teacher) can sign them, creating the corporate charter.

STOCK

A person who buys stock in a corporation owns a part of that company. Originally, the stock of a corporation meant materials, products, and equipment. The owners each had a share of this stock. To prove ownership, the corporation issued certificates showing how much the holder owned. The stock certificates are now called "share of stock."

In business, money comes before people in a certain sense. This can be explained as follows: In a democratic government organization each citizen has one vote on the basis that all citizens are by right, equal. In business, all stock is equal, but not the people (stockholders). Each share of stock gets one vote. So when stockholders vote, Mr. Smith who has two hundred shares receives two hundred votes. Miss Jones, with one hundred shares, receives one hundred votes. More importantly, this system is in operation when dividends (interest on the stock) are paid or when the company dissolves. Mr. Smith will receive twice as much as Miss Jones. This is fair because Mr. Smith has invested twice as much as Miss Jones.

Although the stockholders of a corporation are its owners, they usually do not have direct control over business operations. The stockholders elect directors who decide general policy. Then the directors appoint officers who run the day-to-day operations. The stockholder cannot walk into this company and give orders to a clerk or assembly-line worker.

One important fact about stock is that it is an investment. This is very different from lending money. A person who lends money (creditor) has a legal right to demand his money be repaid, almost always with interest. A stockholder doesn't have such a right. As an owner he is putting his faith and money in the eventual success of the company. Sometimes he may not get dividends for several years. There is a risk, but there is also a possible benefit. If the company does well, the dividends may go up and up. Unlike a creditor, there is no limit to the possible size of the dividend. An investor in stock tries to choose companies that seem likely to succeed and pay dividends. This will be discussed later.

The Board of Directors decides how much, if any, dividends are to be paid. If no profit was made in the past year, no dividends will be paid. Even if a profit was made, this does not automatically mean dividends are paid. The directors may decide to use the profits to build up the business. The directors, however, must always consider the feelings of the stockholders because they can vote to fire the directors if they don't like the company policies. A good group of directors will try to find a balance of both paying dividends and building the business with company profits.

There are two general types of stock, "common" and "preferred." Preferred stock is just that: It receives preferences. Preferred stock has a set dividend rate, for example 6%. When the company does well and can afford to pay 6% to its preferred stockholders, it does so. It does not have to pay any more than that. If it can't afford to pay that much, it may pay less or not at all.

Common stock has no set rate of dividend payments. Common stockholders depend upon the rise and fall of the company.

Many companies have both preferred and common stock. Preferred stockholders must always be paid first. If the preferred stock is at 6%, until all preferred stockholders receive a 6% dividend, not one cent may be paid in dividends to the common stockholders.

After the preferred stock is paid, the common shareholders can then receive payments, which may go as high as the directors wish.

Preferred stock is a relatively safe investment, with a semi-guaranteed return. Common stock is more risky and depends solely on the company's success. Because of these differences, preferred stockholders usually do not receive a vote since they are not taking as much of a chance.

There are many types of stock based on the common and preferred system. These are called classes. For example, a company may have Class A sold at $20 a share and Class B sold at $10 a share. Class A stock would receive one full vote a share and Class B would have half of a vote per share. Sometimes preferred stock is given "participating rights," meaning that it can receive dividends beyond the set rate. A corporation can create many types of stock classes. The only restrictions are that no laws can be violated and any stock rights must be written into the corporation bylaws.

STOCKS AND DIVIDENDS

PAR- and NONPAR-VALUE STOCK. Par refers to the face value of the stock. It is called par when it can be sold for its face value. The nonpar-value permits sale of stock at different times at fair-value price, thus overcoming the problem of selling par-value stock in a fallen market. This may raise a disput by stockholders claiming impairment of their interest when additional stock is issued. The federal issue stamp tax on par- and nonpar-value stock varies. Some states treat nonpar-value stock as though it had a par value of $100, which may create large tax burdens. You should consider also the federal and state taxes on stock transfers.

PREFERRED STOCK. The right to receive a dividend before profits are distributed to common stockholders is usual with preferred stock.

PARTICIPATING AND NONPARTICIPATING PREFERRED STOCK. Sometimes this stock can yield profits after payment of the dividend to preferred stockholders.

CUMULATIVE AND NONCUMULATIVE PREFERRED STOCK. Dividends not declared in any year will generally accumulate. They must be paid before profits are distributed to common shareholders.

REDEEMABLE STOCK. The right to redeem is in the corporation. The price may be fixed or possibly determined by specific conditions. The price usually includes all dividends in arrears.

CONVERTIBLE STOCK. The right is usually held by the stockholders, but may be held by the corporation, to convert into some other stocks or bonds. If the right extends to conversion to bonds, the option is usually held by the corporation.

GUARANTEED STOCK. Dividends are guaranteed by some corporations other than the one that issued the stock--for example, by a parent company to the stockholders of a subsidiary company.

All sorts of dividends can be paid to stockholders. Some are--

CASH DIVIDEND--paid in cash.

STOCK DIVIDEND--where additional stock is issued to stockholders on a pro rata basis.

LIQUIDATION DIVIDEND--paid out of the assets of the corporation upon dissolution.

SCRIP DIVIDEND--paid in notes that are to be redeemed at a later date, usually in cash.

CONSENT DIVIDEND--where the stockholders consent to be taxed as if they had received a stated sum of money, but get no actual payments of any kind.

CORPORATION SECRETARY

In the conduct of its business, a corporation is involved in many activities. Unless these actions are recorded, the business has no way of checking its work and decisions other than memory, which is not always reliable. For the protection of the public and the corporation, state laws require every corporation to record its major financial, stock, and other specified business activities.

Stock and financial records are kept by the treasurer's department. The secretary is legally required to keep other records. For this business, the following actions must be recorded.

1. All stockholder meetings
2. All Board of Directors meetings
3. All notices issued by the corporation
4. All documents such as Articles of Incorporation and Dissolution
5. A current list of all officers and directors of the corporation.

These records must always be available for inspection by the state or any stockholder. This is a legal responsibility of the corporation secretary.

The minutes of Board and stockholder meetings include the following points:

1. Who attended
2. The agenda
3. All motions, including who proposed the motion, its contents, any discussion
4. All votes, including the subject of the vote, how each member voted, and the final decision
5. Any other major items.

Though these particular duties are similar to those a regular office secretary performs, the job of corporation secretary is still different. Aside from the tasks described above, the corporation secretary has another very important job: serving as a member of the Board of Directors. As a director, the corporation secretary has the same power and duties as any other Board member.

THE BOARD OF DIRECTORS

The Board of Directors is the ultimate position in a corporate structure. Its purpose is providing guidance and direction to the corporation. This is in contrast to the duty of corporation officers. Day-to-day decisions and direct supervision of business operations are the responsibility of the officers. The Board of Directors thinks in terms of long-range planning. When people sit on the Board, even if they are officers of the corporation, they try to be as objective as possible in examining corporation operations.

There are different ways in which corporations can make their Boards more objective. One is to have a number of Board members who have no other direct connection with the business. For example, Board members are often bankers, religious leaders, officers from other firms, or lawyers. Each of these people can contribute a particular view when decisions are made. The banker has an understanding of finances, a religious leader may offer opinions on the effect of certain actions upon the whole of society, and so on with each Board member.

As the top position in the organization, the Board has final authority over all planning and decisions. When the officers develop an idea for a major change in or expansion of corporate policy, the Board must give its approval before any action may be taken. The same is true for any major financial plans. Finally, the Board has the power to remove and replace officers, including the President.

Though the Board is the top of the organization, it has a boss too--the stockholders. Board members are elected by the stockholders. The stockholders place their trust in the directors to look after stockholders' interests. If the stockholders ever question company practices, they look to the Board for answers. When the Board fails to satisfy these questions, there is the possibility that the stockholders will dismiss those members and elect new ones at the next stockholders' meeting.

THE PRODUCTION MANAGER'S GUIDE

The Production Manager has chief responsibility for all production including providing certain services that are part of the corporation's business activity.

In the Articles of Incorporation, the corporation states its planned business activity. After the Vice-President of Production is selected by the Board of Directors or stockholders, he or she must prepare the production system. This involves a number of different areas. Each one is essential to production. Each business has its own particular mix of production ingredients. As an example of of this, compare two types of milk companies. Both process milk, bottle it, and sell it to the public. Company A is an older firm. Its machinery is older and requires 200 people to produce ten thousand bottles a day. Company B is a newer company and has the latest equipment. Ten engineers maintain the machinery, which also produces ten thousand bottles a day. Company A is in a rural area and has a fleet of 30 small trucks that deliver its product to over 300 grocery stores a day. Company B is in a large city. It has 10 large trucks with delivery to only 50 large supermarkets. Company A uses returnable glass bottles which it washes and reuses. Company B uses disposable waxed cardboard cartons.

All of these factors--number of employees, equipment, packaging, customers, and delivery--are parts of the production system. In each of the areas, the Vice-President of Production must decide what is best for the company.

In order to make the best choice, consider the following elements of production and options for each.

Physical plant. The physical plant is the facility in which production is carried out and where the major equipment is used. If the corporation is making a product such as arts and crafts handicrafts, hopefully it could use the classroom as its "factory." The production manager would then propose to the Board of Directors to lease (rent) the classroom from the school (or the teacher as owner).

In other situations, a nonschool facility would be leased. For example, if the corporation performs a service such as housecleaning or sells a food product, perhaps no major facility or equipment would be necessary.

Supplies and equipment. If the business is making a product, raw materials will probably be necessary. For example, if you are making belts and candles, you would need leather strips and wax. Once you have the raw materials, you need the equipment to manufacture a product. Finally, you may want materials with which to package the finished product.

If the corporation chooses to run a car wash or housecleaning service, it would be important to have the proper cleaning supplies and enough of them to fill the needs of customers.

Distribution. This is the delivery of the product or services to the consumer. Consumers may be the people who will actually use the product or another businessman who will resell it. For example, if you are producing candles, you may advertise and sell through telephone and mail orders, by having a booth at school, or selling door to door. In this case, you deliver the product directly to the final consumer. If you sell to boutiques and other stores, you must arrange to make prompt deliveries to these merchants.

Delegating work. The human part of the production system can be the most complicated. Your employees must have the proper "work load." This is the amount of work they are expected to do in a given amount of time. If you ask the employees to do too much, they will probably become sullen and unhappy and won't work well. If you make the work load too light, you cut back on company profits because you are still paying your employees. Too little work also tends to make employees unhappy.

Once production has begun, the Vice-President of Production must have all of his workers fill out time cards for each day they work. At the end of the week, these cards must be checked and signed by the Supervisor.

Productive coordination. It is important that the Vice-President of Production work closely with the corporation's other departments. You must consult with the sales manager to find out how much to produce, or how much is available. Then you will have guidelines. Otherwise you could manufacture a thousand candles and then find that you could never sell more than six hundred.

You must talk to the controller when planning anything involving company monies, such as leasing a facility, buying supplies, or planning salaries. It is his job to know how much money is available and for what purpose the money has been set aside. By working together, you arrive at what is best for the company.

MANAGER AND SUPERVISORS

Supervisors are responsible for seeing that the rank and file workers, be they machine operators, office clerks, or salespeople, perform their work. In ancient Egypt this was a simple task. When the pyramids were built, the supervisor whipped the workers to make them produce. Today such actions would land the supervisor in jail. Society has developed farther than just banning obvious physical attacks. In our times, people know that even though they are employed by another individual it does not mean that they are any less a person. Workers demand respect and recognition.

The changing attitudes of workers and employers have improved business human relations. What this means is that not only workers but supervisors and other management personnel are now better off. In the past, some foremen were unfair to their workers. They would rather fire a worker with problems than talk things over. Today most foremen realize that they can't act this way. Successful supervisors and workers treat each other as fellow human beings, not slave driver and slave.

The job of supervisor is not a simple one. A supervisor must make sure his workers keep up an appropriate level of work. This is the goal, but many things stand in the path of achieving it. It is the supervisor's job to deal with these problems. Often what seems to be the easiest solution is only going to make things worse. Experience, combined with some basic human relations education, teach the supervisor the best way to deal with problems. Following are some fundamentals in human relations.

Perhaps the trickiest and most common task is criticism. Whenever an employee is not performing as well as he should, it is the supervisor's duty to criticize. Criticism does not always mean a negative statement. As a matter of fact, it should rarely be put in a completely negative way. There are two reasons for this. First of all, it is unfair, and second, it probably won't work.

If an employee's work is suffering, it probably means he has a problem. It can be any number of things: lack of understanding of his job task, difficulties with his family, dissatisfaction with his wages, something as vague as a "bad mood," or a physical problem such as poor eyesight. The supervisor must realize that there is a real reason for a poor performance. Since the supervisor is not a social worker, it is not always necessary to find out what the problem is. What is necessary is that the supervisor show sympathy and understanding. When the supervisor must make a criticism, he should begin by complimenting, not condemning. To illustrate, let's examine an imaginary situation.

John supervises an electronics parts assembly line. One of his workers, Charlie, usually a good worker, has been turning out unacceptable parts at an increasing rate for the past week. Charlie remains friendly when not on the assembly line, but while working, he seems to be daydreaming. John notes Charlie's increasing reject rate by mid-week. Then, on Friday, while walking by Charlie's work station, he notices that Charlie is staring off into space and not watching his work. John shouts at Charlie, "Wake up and pay attention to your work. You are daydreaming and that's why your work is so sloppy." Charlie quickly returns to work, but now he is angry. During the next week he pays attention to his work, but slows down. He keeps thinking of John and gets angrier. His thoughts are, "Why should I work hard for this guy?

I"ve always done my work. I work for this company to pay my bills, but I have other things to think about, too."

No one has benefited from this situation. Instead, the relation between John and Charlie is worse. What could John have done to prevent this?

Let' start over, When John first noticed the rise in rejects of Charlie's work, he decided to observe Charlie's actions. He saw Charlie daydreaming. The next step was to consider what this means. Charlie had been a good worker; if he was daydreaming now, it meant he had a problem. Since he was still friendly during lunch and break time, it seemed that Charlie was not totally depressed. Only when he sat doing that methodical assembly-line work did his thoughts begin to wander. John prevented one possible error on his own part by looking for the reason for the rejects. Seeing what it was, he analyzed the situation before acting. In the first story John had the problem in the back of his mind. Then, by chance, he saw Charlie daydreaming. Without thinking he expressed his first reaction--anger. By just reviewing the situation, an unfortunate outburst was prevented.

Once John observed the problem he could then find the right time to discuss it. Since he saw Charlie was relaxed during breaks and lunch he could ask to speak with Charlie. Then the mood would be favorable. This would be preferable to embarassing Charlie in front of fellow workers.

The conversation should be friendly and still it must deal with the problem. Whenever possible, criticism must be given with support. That support means expressing satisfaction with other things the employee has done. The talk with Charlie could go something like this.

"Charlie, you and I both know you are a good worker. As a matter of fact, I consider you one of my better men. You've always kept up with production plans, and you have always cooperated with me when our department was pushed, working overtime when I've asked you to. Since we've always gotten along well, I know I can speak frankly with you. For the past week, your reject rate has been going up. This has never been a problem before so I know something out of the ordinary is wrong. I watched you work for a few minutes. I wanted to see if there was a problem with the assembly line that we could talk over. I'd say you seemed to be doing some hard thinking. If you were thinking about the job, I want you to tell me and we'll try to work it out. If it's personal, we can talk about that, if you want. It's up to you." John should give Charlie a chance to speak his mind. He must be sure to let Charlie give his opinion. Even if John feels Charlie is making excuses, he must listen and not interrupt. Once Charlie has had the opportunity to express himself, then John may reply in a constructive manner. After this, John must try to make Charlie understand the situation.

"I just have to ask one thing. Try to deal with these things off the job. Serious problems need to be dealt with thoughtfully, and trying to sort them out while working on the assembly line doesn't work too well for either of us. You know it's my job to make sure the work gets done. I'm sure things can be worked out. If you need any help, let me know."

With this approach, John has a far better chance of having Charlie return to his normal level of work. At the same time John raised the problem, he showed Charlie some support by (1) expressing understanding, (2) offering to help, if possible, (3) praising previous work.

Does this approach always work? No. However, if you'll put yourself in Charlie's place, you can see it offers you a better chance to get yourself together and keep your self-respect.

DIRECTOR OF PERSONNEL HANDBOOK

Duties of Personnel Director

As Personnel Director you have two major responsibilities: you are responsible for (1) making sure that the company has good workers who do their job properly, and (2) taking care of any problems the workers may have. Both of these duties help make sure that the company operates well. By talking with both the company managers and the workers you can find out if there are any problems. When you learn of one, talk it over with whoever is involved and try to find a solution that will satisfy both the employee and the company. For example, the bookkeeper complains to the comptroller that there is too much work and that he or she better be left alone. Talk to the bookkeeper. Find out if the problem is the amount of work, the type of work, or if there is a personal problem. Then talk to the comptroller and get his opinion about what the problem is. After these talks, consider what you have learned and suggest a solution to the comptroller. Some solutions in this case could be:

1. If there is too much work, hire an assistant bookkeeper.

2, If the bookkeeper doesn't like the work, transfer him to a different job and hire a new bookkeeper.

3. If there are other problems, suggest that both the bookkeeper and the comptroller actively try to work them out.

They should understand that problems are not always because of the job.

When the bookkeeper feels upset, he should tell his boss (the comptroller) so that the comptroller will not think the bookkeeper is angry about the job.

Such advise is called job counseling and is a very important part of personnel work.

The most routine part of your job is keeping work records. They include the following:

1. Resumes. A resume is that part of a person's life history that is important to a company. Look at the sample resume. (Handout Six) It includes the person's name, address and phone number. You need this if it is ever necessary to contact the employee when he doesn't come to work or when you want to offer him a job.

Almost all jobs have some sort of educational requirements. Therefore, the resume should give the person's education including what grades the student has completed, the name and address of the schools attended, and the dates he went to school.

Under qualifications, the employee should list any experience he has had for the work he wants to do. For example, the comptroller could be class banker and good in mathematics. Also, the employee should give any personal qualifications. For example, a salesman could state that he is a good talker and enjoys speaking with people.

2. Applications. Every employee must have an application on file.

3. W-4 Forms. Although these are not appropriate since no real earnings will be given, the students should become familiar with W-4 and W-2 forms.

Once an employee is hired, you must keep a weekly record of his work hours. This is done using the time sheets. Each employee must record the hours he works each day on a time card. At the end of the week his supervisor signs the card. At the end of the week you collect the time cards, total the hours, and send the information to the bookkeeper for payroll accounting.

THE SALES MANAGER'S GUIDE

A business spends money in many ways. It pays salaries and wages, purchases equipment and supplies, sometimes buys advertising, and pays for utilities and rent. Yet, regardless of the many ways it spends money, there is essentially only one source of income, sales.

It is the Sales Manager's responsibility to guarantee sales income. This involves two key factors:

1. Knowing the product
2. Knowing how to act towards the sales market--the people who may be interested in buying the product.

Actual salesmanship is a combination of these two factors. The salesperson must be able to properly represent the product to the potential customer, and he must be able to identify a potential market for what he is trying to sell.

The Sales Manager shoud hold a class to help train salespeople for their job. At this meeting the following points should be covered:

1. Acquaint the salespeople with the product. Without this knowledge, the salespeople must rely solely on his ability to "sweet talk." This does work on occasion, but no legitimate business that seeks steady, permanent customers could survive with such sales tactics. A serious customer wants to know what he is buying, and he may ask questions about the product.

2. Discuss the proper behavior of salespeople. Aside from demonstrating the actual product or services a business offers the customer, sales are made by the "sales pitch." The sales pitch is the style with which the salespeople represent their product. A business with a worthwhile product has no need for great exaggerations or overly friendly salespeople.

Salespeople should always be polite and courteous. In an individual's personal life, he is free to choose his friends and enemies; it's a strictly personal affair. But business profit (and survival) depend upon keeping a sales market. This means that the corporation must establish a good name, which is created by the value of its product and the reputation of its salespeople. Any enemies made, even if there was good cause, can only threaten the company's reputation. The salespeople should not choose customers as they do friends or enemies. During the working day, things are "strictly business." The customer is entitled to courtesy and respect. Handling a discourteous customer is an important learning experience for potential sales personnel. Have the corporation employee who knows the most about the product or service assist you in this presentation. When you discuss the product have this person (possibly the Production Manager or President) answer any questions the salespeople may have. This will prepare them to sell the product. You might consider acting out some possible sales situations.

After you complete the above presentation, the salespeople should be assigned their territories. A salesperson's territory is the area or people he will do business with. For example, each student may be assigned specific stores or streets where he will be responsible for making sales. It should be emphasized that students should not rely heavily on their family or on teachers for sales.

Make sure you have thought over where you can sell your product. Try to make a list of these places before your presentation. After all the places on your list are assigned, then ask your salespeople for any other places to try. Remember, be realistic about whom you should try to sell. Don't try selling sugar candy to dentists. On the other hand, don't be too limited. Any place that seems like a possibility should be tried. That way, you recruit sales places. Don't expect to sell to everyone you ask. The job of a salesperson is to try many places and expect to sell only to some. Sales are a percentage operation. That is, for the total number of sales presentations made, only a percentage of them will result in a purchase. Like a baseball player who gets a hit one out of every three times at bat (a batting average of .333), a salesperson should not be discouraged by occasional failures.

BOUTIQUE
BAKERY
SHOES
WAREHOUSE
HARDWARE STORE
DOCTOR
TRADE SCHOOL
BOOKS
JEWELERY

BUSINESS OWNERSHIP & MANAGEMENT

APPENDIX G: ANNOTATED BIBLIOGRAPHY

CAREER EDUCATION CURRICULUM DEVELOPED BY THE NATIONAL BUSINESS EDUCATION ASSOCIATION UNDER A GRANT FROM THE U.S. OFFICE OF EDUCATION, DIVISION OF ADULT VOCATIONAL EDUCATION

PLUMBING
AUTO REPAIR
NEWSSTAND
BARBER
FARM SUPP
GROCERY
Florist

APPENDIX G

ANNOTATED BIBLIOGRAPHY

A literature search for materials related to business ownership and management that are directly applicable to grades 7 through 9 indicated that there is very little suitable for student use. Some of the materials included in this bibliography may be suitable for use with students after some modification has been made. Other materials may be suitable for teacher reference.

The largest single source of materials is the Small Business Administration. Its publications are aimed specifically at ownership and management of small business operations; however, the reading level is above the target population of grades 7 through 9.

BOOKS

Andrews, Daniel W. and Seavey, Gary J. Curriculum Development: Small Business Management Career Education Project High School Level. Keene, New Hampshire: Keene High School, 1973.

The proposed management program is designed to serve two purposes. The first is to aid the student who wishes ultimately to go into the management field upon the completion of post-secondary education; secondly, to give the student who has other vocational plans the needed skills to operate his own privately owned small business using these skills. In 1973-74 the school implemented a one semester course for juniors and seniors called Small Business Management. The school plans to expand the program to include a two-year sequence of courses including money and banking, agency relations, economics, insurance, taxation, and so on. This course of study is of interest to teachers, but is not directly applicable to the junior high school needs in career education.

Bailey, Ronald W., ed. Black Business Enterprise: Historical and Contemporary Perspectives. New York, New York: Basic Books, Inc., 1971.

The author presents a comprehensive sourcebook on black economic development—its history, current status, and future prospects. It contains twenty-six readings that present approaches to the problem of black economic development, from complete separatism to full integration into the white economy, from attempts to build a viable black private enterprise system to various types of communal and state socialism and strategies of revolution. TEACHER REFERENCE.

Bower, Raymond A. and Cunningham, Scott M. Studies in the Negro Market. Cambridge, Massachusetts: Marketing Science Institute, 1970.

This report was compiled from a series of studies on the Negro market. The authors have explored distinctive aspects of Negro consumer behavior, response to advertising, and the implications of these marketing phenomena. The black and white consumption patterns are examined to show differences in spending habits, shopping likes and dislikes, and their concern for buying well-known brands. Useful in learning about market research.

Broom, H.N. and Longenecker, Justin G. Small Business Management, 3d ed. Cincinnati, Ohio: Southwestern Publishing Co., 1971.

College-level text on management of a small business. The book covers the place of small business in the economy, general functions of management, problems of small businesses, and dangers of failure. Included are a series of case problems. TEACHER REFERENCE.

Careers Unlimited: A Guidebook of Courses Offered by the Lindsey Hopkins Education Center. Miami, Florida: Department of Public Information, Dade County Public Schools, n.d.

Contents include: General Adult Education; Careers in Medical Service; Trade and Industrial Careers; Business Careers; Hotel Careers; Careers in Home Economics and Distribution.

Certificates of Competency. Vol. 48, Office of Public Information, June, 1968.

Provides information on the requirements and procedures involved in acquiring certificates of competency. NOT APPLICABLE.

Curriculum Guide for Business Organization and Management. Chicago, Illinois: Board of Education, City of Chicago, 1968.

This guide is directed at the post-junior high school level. The guide displays the following course content: Background of Business Organizations; Legal Forms of Ownership; Internal Structure of Business Organization; Personnel Management and Administration; Finances and the Use of Money; Logistics and Purchasing; Production; Marketing: Auxiliary Services (Record-keeping, Budgeting, The Office, etc.) and Business, Government, Labor and The Public. The methodological approach is modern and effective, relying on discussion among and meaningful experiences by the students, and making ample use of films and other teaching aids. TEACHER REFERENCE.

Douglas, Lloyd. Business Education. Washington, D.C.: Center for Applied Research in Education, 1963.

Egerton, Roger W. The Use of Decision-Making Tools by the Managers of Small Retail Firms — A Feasibility Study. Stillwater, Oklahoma: Oklahoma State University, 1971. 220 pp.

This study was undertaken to determine the feasibility of developing measures whereby common decision-making aids could be more effectively utilized by small retail store managers. Data were analyzed for a sample of 40 retailers and 7 experts in the field of retailing. Semantic differential techniques and nonparametric statistics were used to compare the reported degree of need and use of 50 selected decision-making tools. Four major variables (education, experience, motivation, and environmental factors) were examined as significant determinants of use. The jury of experts expressed a very high opinion of need for the selected tools and aids for effective management practices. The sample reported practically no use of any of the tools by small retailers as a part of planned decision-making procedures. Improved use of decision-making tools will hinge upon efforts to demonstrate a practical need for the tools and to show that they can be used within existing environmental conditions. TEACHER REFERENCE.

Emeka, Mauris Lee Porter. Black Banks Past and Present. Kansas City, Missouri: Mauris L. P. Emeka, 1971.

This research report presents a history of black banking activities in the U.S. The history covers the period from before the Civil War to the present. TEACHER REFERENCE.

Employability Skills Guide for Work Experience Programs. Tallahassee, Florida: Florida State Department of Education, 1971.

This guide is organized around seven broadly stated major goals. It states expected student behaviors and lists possible learning experiences.

Essays by Students of Small Businessmen. Washington, D. C.: Howard University Business and Economic Development, Howard University, 1967.

This booklet results from the Successful Business Owner Essay Contest which was conducted by the Center. Its basic purpose was to impress upon Negro high school students, parents, teachers, counselors, and principals that today there is a real challenge for bright young Negro minds to go into business as employee or as employer.

Foley, Eugene P. The Achieving Ghetto. Washington, D. C.: The National Press, Inc., 1968.

This book by a former SBA administrator is written about the economic development of the Negro ghettos in urban areas. Part III of the book on "A Marshall Plan for the Ghetto" outlines a nine-point plan. TEACHER REFERENCE.

Franchising in the Economy: 1969-1971. Washington, D.C.: Department of Commerce.

Provides information on franchising over the period 1969-1971.

Graham, Robert G. Business Games Handbook. New York, New York: American Management Association, 1969.

Gupta, Shiv T. and Hamman, Ray T. Starting a Small Business. Player's Manual and Teacher's Guide. Englewood Cliffs, New Jersey: Prentice Hall, Inc., 1974.

This interesting computer simulation game takes the student from an idea to a business that is an outgrowth of that idea—creating a supply to meet a demand. The game, however, requires the use of a computer, which may not be available to most schools. The game is designed to be used at the post-secondary level, but could be handled at the high school level with computer availability.

Guttman, Egon. The Barber Shop. Washington, D.C.: Howard University, Business and Economic Development Research Center, 1967.

This booklet, written especially for the owners of barber shops and their legal advisors, for whom the footnotes have been added, sets forth District of Columbia regulations, licenses, and taxes relating to the barbering trade. Its purpose is to bring together information which every Master Barber needs to know if he is to run his shop economically. TEACHER REFERENCE.

______. The Beauty Shop. Washington, D.C.: Howard University, Business and Economic Development Research Center, 1967.

This is the third booklet in the series on Requirements for Doing Business in the District of Columbia. Each booklet in this series has been separately researched to give the prospective and actual entrepreneur the best and most up-to-date information concerning the particular occupation. TEACHER REFERENCE.

______. The Valet Service: Dry Cleaning, Shoe Repairing and Hat Blocking. Washington, D.C.: Howard University, Business and Economic Development Research Center, 1967.

This booklet is written especially for the owners of valet service establishments, including dry cleaners, shoe repairers, and hat blockers. It includes licenses and taxes relating to the above trades.

Hailes, William D., Jr. Small Business Management. Book 1. New York, New York: Delmar Publishers, 1965.

This booklet is designed to present units of information necessary for the successful operation of an individually owned small business. It covers fifteen major units which relate to success in business ownership.

_____. Small Business Management. Book 2. New York, New York: Delmar Publishers, 1965.

This combination text and workbook gives information needed if you plan to start a business of your own or with a partner. It gives you ideas on how you can improve your chances for success. It introduces major problems and stresses need to gain experience and information from other sources.

Hall, J. Curtis and Jackson, J. Howard. "A Career as a Business Owner," in Careers in Business. Reston, Virginia: NBEA, 1972.

This article originally appeared in the Business Education Forum and is now reprinted in booklet form with eight other articles on business careers. Copies are available in quantity from NBEA, with a price reduction for larger quantities. This article discusses the nature of the work, preparation required, qualifications, and opportunities. This article is written at a higher reading level than that appropriate to the target population, but could be read aloud and discussed.

Handbook for Small Business. Vol. 3. Washington, D.C.: Senate House Select Committee on Small Business, December, 1969.

This is a comprehensive study on all the Federal programs available to small business.

Henry, Leon, Jr. The Home Office Guide or How to Work at Home and Like It. Scarsdale, New York: Home Office Press, Arco Publishing Company, Inc., 1968.

This book provides some understanding of ownership and is written for the individual preparing to go into that role. It shows the advantages of having a business office at home if you have small capital but great faith in yourself. An office at home conserves capital, makes the most of your idea, and insures your self-confidence. TEACHER REFERENCE.

Hicks, Tyler G. How to Start Your Own Business on a Shoestring and Make Up to $100,000 a Year. New York, New York: Parker Publishing Company, 1968.

This book contains step-by-step tips aimed to help you make at least $2,000.00 a week. It includes ways to make bigger profits, become wealthy quickly, have fewer business problems, greater personal independence, better tax deals, and wider expansion of your markets.

How Do You Sell to Urban Negro Customers? Chicago, Illinois: Ebony Magazine, Johnson Publishing Company, Sales Promotion Department. (free)

This pamphlet urges the use of Negro-oriented media to reach the Negro consumer. It discusses brand preferences of Negro consumers and illustrates various successful techniques and approaches to the Negro market.

How to Start and Build a Successful Business. Larchmont, New York: Lasser (J.K.) Institute, New York, American Research Council, 1961.

This book is a collection of ideas, techniques, and references on how to make money, with a warning against the pitfalls that cause business failures.

Income Opportunities. New York, New York: Arco Publishing Company, 1964.

The text shows how to be one's own boss successfully on a part- or full-time basis. Included are dozens of success stories that show how others have gone into business for themselves and succeeded. The book covers how to obtain financing, what pitfalls to avoid, and how to improve your business. There is a special section on franchises with a directory of some 200 franchise opportunities arranged by amount of investment required, from less than $1,000 to $25,000 or more.

Introduction to Modern Business — Junior High School. Jacksonville, Florida: Duval County Board of Public Instruction, 1965.

Although most of this course is concerned with an introduction to modern business, approximately 15 to 20 percent is devoted to typewriting. The general tone of the course of study is historical, beginning with primitive methods of exchange and moving to the present. Effort is also devoted to preparing the student to seek employment in business. The guide is specifically designed for the ninth grade. TEACHER REFERENCE.

Jones, Thomas B. How the Negro Can Start His Own Business: A Guide to Owning and Operating a Franchised Business. New York, New York: Pilot Industries, 1968.

This book explains franchising, a type of business seen as particularly adaptable to the Negro in the disadvantaged neighborhood. Because it provides know-how, a proven business package, and continuous training and supervision, a carefully selected franchise may contribute to a rapid expansion of the number of successful Negro businesses. TEACHER REFERENCE.

Keith, Lyman A. Introduction to Business Enterprise. New York, New York: McGraw-Hill, 1971.

Kelley, Pearce C., Lawyer, Kenneth, and Baumback, Clifford M. How to Organize and Operate a Small Business. 4th ed. Englewood Cliffs, New Jersey: Prentice Hall, Inc., 1968.

This adult-level book is a guide for prospective entrepreneurs and others interested in small business operations. The text covers taxes and regulations, locations of a business, pricing, inventory control and record systems as well as the typical management philosophy and organization. TEACHER REFERENCE.

Kelley, Richard E. The SBIC's in Action. Los Angeles, California: Keyfax Publications, 1965.

Geared for business owners, the material in this publication assumes a relatively high level of knowledge of finances, stock market functioning and performance, taxation, and other areas of economics and business sciences. It includes technical terms peculiar to business. The information regarding the operation of SBIC's is useful to the teacher in discussing financing a business. TEACHER REFERENCE.

Kelly, William A. *Effectiveness of the Pittsburgh Junior Achievement Program in Changing Attitudes of Participating Students toward Business and Work*. Ed.D. Pittsburgh, Pennsylvania: University of Pittsburgh, 1971. 175 pp.

Findings in this study indicated that participants' scores were significantly higher on the business inventory post-test than they were on the pre-test. Achievers' scores on the personality traits inventory were not significantly different; nor were scores significantly different on the interest inventory, between schools or between sexes.

Kimball, Grady and Vineyard, Ben S. *Succeeding in the World of Work*. Bloomington, Illinois: McKnight & McKnight, 1970.

This book is written for work-study, work-experience, and co-op programs. The text offers the essentials a worker needs to understand to be successful on the job, not only the mechanics of how to find and apply for a job, but also self-knowledge. The text also includes a section on consumer education. HIGH SCHOOL.

Lackey, Larry A. *How to Start a Small Business*. New York, New York: Exposition Press, 1971.

This small text (74 pages) is written as a manual for potential entrepreneurs. It provides a brief overview of how to start a small business. TEACHER REFERENCE.

Lasser, Jacob Kay. *Business Management Handbook*. New York, New York: McGraw-Hill, 1960.

A Manual of Five M's of Management Clinics. Washington, D.C.: Howard University Business and Economic Development Research Center, Howard University, 1966.

The Five M's of Management are Managers (owners), Men, Markets, Money, and Methods. The purpose of the program is to provide a place for the interchange of management ideas among 12 or 15 owners of small business firms who attend each clinic. This program is flexible and is intended to be adaptable to any locality and any group of managers.

A Manual of Individual Counseling. Washington, D.C.: Howard University Business and Economic Development Research Center, Howard University, MERC, 1968.

This manual sets forth the policies, procedures, and evaluation of this important educational adult training tool. The individual counseling program of BEDRC of Howard University is designed to help the owner to evaluate his problems accurately, and with the help of the counselor, to solve them wisely. TEACHER REFERENCE.

A Manual of Problem Clinics. Washington, D.C.: Howard University Business and Economic Development Research Center, Howard University, 1966.

This presentation of Problem Clinics is the second in a series of manuals. The purpose of these clinics is to find suitable solutions to the current management problem under discussion by the owners of small firms participating in the clinic. TEACHER REFERENCE.

Metcalf, Wendell O. Starting and Managing a Small Business of Your Own. Washington, D.C.: Small Business Administration, Office of Information Services.

Like most of the SBA-printed materials, this book presents material to inform the reader about starting and maintaining a successful business. The turnover figures in business demonstrate the need for technical information and for warnings about pitfalls, particularly in the early stages of a new small firm. The Starting and Managing Series, of which this publication is the first volume, attempts to assist the small entrepreneur in his effort to examine management and ownership.

Minority Ownership of Small Businesses: Instructional Handbook. Washington, D.C.: U.S. Department of Health, Education and Welfare, DHEW Pub. No. (OE) 72-27, Government Printing Office, 1972.

This text focuses on business procedures and practices. It provides relevant information to adult minority students on how to go about starting a business.

Minority Ownership of Small Business: Thirty Case Studies. Washington, D.C.: U.S. Department of Health, Education and Welfare, DHEW Pub. No. (OE) 72-26, Government Printing Office, 1972.

This is an account of the recent experiences of thirty minority individuals who started their own business ventures. It reports the events and circumstances surrounding the start-up period of the business. Both successes and failures are illustrated. These accounts are interesting overall, but some emphasis on the financial aspects is somewhat dry and dull to the seventh, eighth, and ninth grade youngster. However, much food for discussion can be derived from the stories. A teacher's guide accompanies the book.

Nanassy, Louis C. and Fancher, Charles M. General Business and Economic Understandings. 3d ed. Englewood Cliffs, New Jersey: Prentice-Hall, 1968. Grades 9-10.

The chief objective of this text is to help the student to understand and appreciate the basic principles of free enterprise. This book explains the why and how of business operations and shows why and how the worker and the consumer are affected by the economy. It contains twelve units with a total of forty parts. It is designed to cover the scope of knowledge needed for initial economic and vocational competence.

New Minority Enterprises. Washington, D.C.: U.S. Department of Justice, Community Relations Service, Department of Justice, 1969.

This booklet provides basic information on 140 minority enterprises. Its publication by the Community Relations Service represents a first step toward documenting these creative and innovative efforts. These enterprises were initiated and developed by minority members to meet local critical needs and to improve the quality of life in the inner city.

"NOBELS: A Summary Report," in Business Education Forum. Washington, D.C.: NBEA, February, 1971, pp. 3-6.

This project is concerned with business education curriculum development and improvement. Its intent is to reexamine business education curriculums looking toward undertaking a major systematic curriculum overhaul. The report provides a graphic illustration of the major elements of the NOBELS Plan and summarizes the various tasks and steps contained in Phase I.

Nolan, Carroll A. and Warmke, Roman F. Marketing, Sales, Promotion and Advertising. Cincinnati, Ohio: Southwestern Publishing Company, 1965.

This college-level text has been written as an instructional tool for marketing or distributive education courses offered by secretarial schools, junior colleges, vocational technical schools and other post-high school institutions. TEACHER REFERENCE.

Numismatic Sales Program for Minority Owned Concessions. Washington, D.C.: Department of Commerce, 1972.

This text provides information on acquiring a numismatic sales concession from the Federal government. NOT APPLICABLE.

Research in Education. Bethesda, Maryland: Educational Resources Center of the National Institute of Education, DHEW, Vol. 7, No. 10, October, 1972.

This publication aims to facilitate the early identification and acquisition of research reports of interest to the educational community. Subscription price, through the U.S. Government Printing Office, is $21.00 per year. TEACHER REFERENCE.

Seder, John and Burrell, Berkley G. Getting It Together — Black Businessmen in America. New York, New York: Harcourt, Brace, Jovanovich, Inc., 1971.

This book tells of fifteen remarkable black Americans who have succeeded in business. All of them have made a great deal of money, despite humble beginnings and problems of prejudice. TEACHER REFERENCE.

Selling to the Postal Service. Washington, D.C. 20260: U.S. Postal Service, Government Printing Office, August, 1972.

This booklet provides information to manufacturers, distributors, and other firms or individuals whose line of business makes them potential suppliers for the U.S. Postal Service but who have no experience as suppliers. TEACHER REFERENCE.

Shilt, Bernard A., Carmichael, D. L., and Harmon, Wilson W. Business Principles and Management. 5th ed. Cincinnati, Ohio: Southwestern Publishing Company, 1967.

The subject matter is relevant to project goals; however, the publication requires a relatively high reading and comprehension level. The major purpose of the text is to provide instructional materials for learning situations in which these understandings are achieved by future employees, future managers, future owners, and those who have not yet made a decision as to vocational choice. There are two introductory units which lay the economic foundation of American business, outline the opportunities which exist in American business, discuss the various types of business ownership, and relate the ways in which businesses are organized internally.

Sturdivant, Frederick. Business and the Mexican-American Community.

This paper analyzes business practices focused on prices, credit, store conditions, and consumer treatment. The methodology involves comparative analysis, using stores of comparable size and type of ownership in middle-class control areas. TEACHER REFERENCE.

To Become an Entrepreneur. 815 N. Sherman Ave., Springfield, Missouri 65802: Graff Area Vocational Technical Center.

This teacher's manual has been developed to describe the procedures and information necessary to conduct an exciting project for preparatory distributive education classes. The course is designed to enhance the existing D. E. program, allowing each student to take pride in his achievement because the results are uniquely his own. Each student in the course prepares a manual containing plans for opening his own store, specializing in whatever merchandise he chooses. His manual deals with financial needs, store location, management sales promotion, merchandise classification, store layout, employee procurement, employee training, salaries, and working hours. He tabulates fixture expenses, miscellaneous expenses, methods of stock control, customer services. He also writes purchase orders showing loads, discounts, mark-ups, etc. The completed manual covers the many details involved in opening a new store. The course has been conducted with 179 high school students in Springfield, Missouri, during three years.

Tonne, Herbert A. Principles of Business Education. New York, New York: McGraw-Hill, 1970.

Tonne, Herbert A., Simon, Sidney I., and McGill, Esby C. Business Principles, Organization, and Management. 2d ed. New York, New York: McGraw-Hill, 1963.

The text provides the latest facts and figures, explores the major aspects of business operation, and reflects the trends in the policies and procedures of business management. Emphasis is placed on the students' need to develop judgment by learning to evaluate and apply facts. TEACHER REFERENCE.

Urban Business Profile Series. Washington, D. C.: U.S. Department of Commerce, 1972.

This series is a publication of the U.S. Department of Commerce, Office of Minority Business Enterprise. Each title in the series clearly indicates the type of business discussed in that booklet. Contents include recommendations about the venture, a description of the business, analysis of business feasibility, and establishing the business. The reading level is well above the target population; however, the booklets may be used as Teacher Reference. Titles included in this series are: Beauty Shops, Bowling Alleys, Building Service Contracting, Children's and Infants' Wear, Contract Construction, Contract Dress Manufacturing, Convenience Stores, Dry Cleaning, Furniture Stores, Industrial Laundries and Linen Supply, Machine Shop Job Work, Mobile Catering, Pet Shops, Savings and Loan Associations, and Supermarkets.

Wilkinson, Donald and Zancanella, James Z. "A Career in Management," in Careers in Business. Reston, Virginia: NBEA, 1972.

This article originally appeared in the Business Education Forum and is now reprinted in booklet form with eight other articles on business careers. Copies are available in quantity from NBEA, with a price reduction for larger quantities. This article discusses the nature of the work, preparation required, qualifications, and opportunities. The article is written at a higher reading level than that appropriate to the target population, but could be read aloud and discussed.

SMALL BUSINESS ADMINISTRATION PUBLICATIONS

"Barometer of Small Business." SBA, Vol. 23, Washington, D.C. March, 1972.

A business index with information at a glance.

Blake, Robert R. and Mouton, Jane Srygley. *How to Assess the Strengths and Weaknesses of Financial Management*. Scientific Methods, Inc., Vol. 5. No date.

Provides a useful guide to assessing the strengths and weaknesses of financial management in a small business.

Bruce, Martin M. *Human Relations in Small Business*. SBA, Vol. 3, Washington, D.C. 1968.

Handles the problems of human relations in small business. Covers worker morale, personnel selection, orientation, training, and continuing personnel relations.

Brummet, Lee R. and Robertson, Jack C. *Cost Accounting for Small Manufacturers*. SBA, Vol. 9, Washington, D.C. 1972.

Trains management in cost accounting to help gather information useful in directing operations of business.

Bunn, Verne A. *Buying and Selling a Small Business*. SBA, Washington, D.C. 1969.

Describes potential problems in buying and selling a small business. Traces situations possible in transactions from start to finish.

"Checklist for Going into Business." *Small Marketers Aid*. SBA, No. 71, Washington, D.C. 1972.

An aid for prospective businessmen to make sure that everything needed to start a business is available.

Cook, Harvey R. Selecting Advertising Media: A Guide for Small Business. Small Business Management Series, No. 34. May, 1969.

Explains the importance of advertising and aids the small businessman in selecting the correct media to advertise his product.

Dealerships and New Opportunities. General Motors. SBA.

An informative guide to General Motors car dealerships.

Erlandson, Ray S. Starting and Managing a Small Retail Music Store. Starting and Managing Series, SBA, Vol. 20, Washington, D.C. 1970.

Describes the problems encountered in starting and managing a small retail music store.

Faucett, William M. Management Audit for Small Manufacturers. SBA, No. 29, Washington, D.C. 1963.

Explains the audit and its uses in small business.

Gladwell, Lloyd. Starting and Managing a Small Retail Drugstore. Starting and Managing Series, SBA, Vol. 11, Washington, D.C. 1966.

Describes the problems encountered in starting and managing a small retail drugstore. Facts are related so the reader may make decisions as to whether he has the personal qualifications, financing, managerial expertise, and experience needed to attain success in this business.

Greene, Mark R. Insurance and Risk Management for Small Business. SBA, Vol. 30, Washington, D.C. 1970.

Explains the function of insurance. Gives pointers on buying insurance, common insurance terms, main types of coverage, supplementary coverages, special purpose coverages, life and health insurance, settlement of losses and insurance management programs.

Hilton, Peter. New Product Introduction for Small Business Owners. SBA, Vol. 17, Washington, D.C. 1961.

Discusses introduction of new products, taking into consideration the limits of small business.

Hodnett, Edward. So You Want to Go Into Industry. SBA.

Explains the importance of industry and its desirability as a career choice.

How to Prevent Theft. SBA, Executive Action Series, No. 125. 1970.

Explains through examples the effects of thefts and their consequences on company procedure. Also gives ideas on how to prevent thefts.

Janazeck, Elizabeth G. A Survey of Federal Government Publications of Interest to Small Business. SBA, Washington, D.C. 1969.

A compilation of government publications concerning small business. TEACHER REFERENCE.

Johnson, Glenn. Starting and Managing a Small Shoe Service Shop. Starting and Managing Series, SBA, Vol. 16, Washington, D.C. 1968.

Describes the start-up and operation of a small shoe repair service shop.

"Key Features of SBA's Principal Lending Programs." Vol. 7, Office of Public Information. October, 1969.

Information on SBA loans in chart form.

Krentzman, Harvey C. Managing for Profits. SBA, Washington, D.C. 1968.

This booklet covers day-to-day situations geared toward managing for making profits. Techniques are explained in down-to-earth terms, but familiarity with business vocabulary is required.

Management Aids for Small Business. Small Business Administration, Washington, D. C.

This series of leaflets provides a variety of useful information to small businesses. There are over 200 titles. A sample of titles includes: "Keeping Machines and Operators Productive," "Designing Small Plants for Economy and Flexibility," and "Proving Fidelity Losses." TEACHER REFERENCE.

Management Aids for Small Manufacturers. Small Business Administration, Washington, D. C.

This series of leaflets provides a variety of useful information to small manufacturers. A sample of titles includes: "How the Public Employment Service Helps Small Business," "How Trade Associations Help Small Business," and "Getting Your Product on Qualified Products Lists." There are over 200 titles. TEACHER REFERENCE.

Mayor, Kurt B. and Goldstein, Sidney. *The First Two Years: Small Firm Growth and Survival Problems*. SBA, Vol. 2, Washington, D. C. 1961.

Results of research published to assist small businesses in weathering the first two years of operation and problems during growth.

Metcalf, Wendell O. *Health Maintenance Programs for Small Business*. SBA, Vol. 16, Washington, D. C. 1964.

Explanations of health maintenance programs and their benefits to employer and employee.

______. *Starting and Managing a Small Business of Your Own*. Starting and Managing Series, SBA, Vol. 1, Washington, D. C. 1962.

Describes the problems encountered in starting and managing a small business. Facts are related so the reader may make decisions as to whether he has the personal qualifications, financing, managerial expertise, and experience needed to attain success in business.

Pickle, Hal B. Personality and Success — An Evaluation of Personal Characteristics of Successful Small Business Managers. SBA, Vol. 4, Washington, D.C. 1964. 84 pp.

This text hypothesizes a need for proficiency in human relations, communications and thinking ability, and technical knowledge, together with a strong desire to perform well at the task of managing a small business. If this assumption is true, the successful small business manager can be expected to possess more of these characteristics or possess them to a greater degree than do the unsuccessful. The empirical data gathered by this study validate the hypothesis that successful businessmen possess superior amounts of certain personality characteristics. The five characteristics studied—drive, thinking ability, human relations ability, communications ability, and technical knowledge—showed a significant rank-correlation to success. An interaction measure of the whole group of characteristics produced a .674 multiple correlation to success. The text indicates that business training programs would do well to consider these characteristics in training management personnel. This material can be read by the teacher and presented in digest form to initiate discussion on personnel aptitude and desire to be an owner or manager.

Ragan, Robert C. Financial Record Keeping for Small Stores. SBA, Vol. 32, Washington, D.C. 1966.

Explains record keeping and the difference it can make in the smooth and successful operation of a small business.

Raines, I.I. Better Communications in Small Business. SBA, Vol. 7, Washington, D.C. 1962.

Explains the results of improving communications among personnel and its effects in improving the efficiency of a small business.

Sanzo, Richard. Ratio Analysis for Small Business. SBA, Vol. 20, Washington, D.C. 1970.

Offers an explanation of ratio analysis and an example of practical application of ratio analysis.

"SBA Disaster Loans to Restore or Replace Businesses." Small Business Administration, Washington, D.C.

Gives all pertinent information necessary for obtaining disaster loans from the SBA. NOT APPLICABLE.

Small Business Bibliography. Small Business Administration, Washington, D.C. 1966.

This series, Numbers 1 through 76, covers a wide variety of topics; each is identified clearly by title. In the format, a narrative offers information about the topic, then sources for additional information are listed. A partial list of titles includes: Handicrafts and Home Businesses, Selling by Mail Order, Marketing Research Procedures, Retailing, The Nursery Business, Variety Stores, Training Retail Sales People, Suburban Shopping Centers, Hardware Retailing, Mobile Homes and Parks, Job Printing Shop, Woodworking Shop, Hobby Shops, Real Estate Business, and Discount Retailing.

Small Marketers and Technical Aids. Small Business Administration, Washington, D.C.

This series of pamphlets covers personnel management, advertising, management development, pricing, financial management, accident and theft prevention, principles of plant layout, water reduction, noise reduction in the plant, quality control, etc. These pamphlets require a basic knowledge of business. TEACHER REFERENCE.

Smith, Alan A. Technology and Your New Products. SBA, Vol. 19, Washington, D.C. 1967.

Explains the long-term effects of technology in considering the introduction of new products. Explains planning to include technology in preparation for introduction of new products.

Starting and Managing Series. Small Business Administration, Washington, D.C. 1962-1971.

These soft-cover books describe the problems encountered in starting and managing varied types of small businesses. Facts are related so the reader may make a decision as to whether he has the personal qualifications, financing, managerial expertise, and experience needed for success in business. The series indicates some of the rewards that can be experienced and also tells of the importance of small business to the economy. The materials are designed for prospective owner-managers, persons already in business, and others interested in the functions and procedures of business. These materials can be used with students with high reading levels, but will still require explanation and discussion.

Starting and Managing a Service Station. Starting and Managing Series, SBA, Vol. 3, Washington, D.C. 1961.

Describes the problems encountered in starting and managing a small service station. The date of this booklet is important in light of the 1974 gasoline situation and its resultant impact on service-station operation.

Ware, Henry H. *Starting and Managing a Swap Shop or Consignment Sale Shop*. Starting and Managing Series, SBA, Vol. 15, Washington, D.C. 1968.

Describes the problems encountered in starting and managing a swap shop or consignment sale shop.

White, L.T. *Strengthening Small Business Management*. SBA, Washington, D.C. 1971.

Selections from the works of L.T. White concerning all facets of small business management. They cover a wide range of areas in the field.

Whittington, Harold. *Starting and Managing a Small Motel*. Starting and Managing Series, SBA, Vol. 7, Washington, D.C. 1963.

Describes the problems related to starting and managing a small motel.

Wingate, John W. *Management Audit for Small Retailers*. SBA, No. 31. 1971.

Explains the audit and its usefulness to the small retailer.

______. *Small Store Planning for Growth*. SBA, Vol. 33, Washington, D.C. 1966.

Explains the need for adaptation and expansion in a small business and tells how to cope with the critical expansion stages.

Woelfel, B. LaSalle. *Guides for Profit Planning*. SBA, Vol. 25, Washington, D.C. 1960.

A guide to profit planning. Tells how to evaluate present profit situation and plan ahead with relation to the past performance.

Zwick, Jack. *Handbook of Small Business Finance*. SBA, Vol. 15, Washington, D.C. 1965.

Defines financial management and explains financial statements, ratio analysis, break-even analysis, managing investment in assets, examination of the future, relations with bankers, short-, intermediate-, and long-term credit and long-term financing.

ARTICLES

Bauer, Raymond A., Cunningham, Scott M., and Wortzel, Lawrence H. "The Marketing Dilemma of Negroes." Journal of Marketing, July, 1965, pp. 1-6.

This study is based on a dozen surveys, both local and national, depicting the behavior of the Negro in the marketplace. Compares spending habits of Negroes with those of whites. May be used in learning about market research and its uses. TEACHER REFERENCE; STUDENT REFERENCE.

Berman, Jeffrey A. "Birth of a Black Business." Harvard Business Review, September-October, 1970, p. 4.

While a student, the author of this article fostered the development of someone else's new business. Drawing on this first-hand knowledge and experience, he offers some practical guidelines for large corporations and for aspiring minority businessmen interested in like ventures. TEACHER REFERENCE. May be adapted for classroom use.

Berry, Leonard L. and Solomon, Paul J. "Generalizing about Low-income Food Shoppers: A Word of Caution." Journal of Retailing, Summer, 1971, pp. 41-51; 92.

This article reports some major conclusions of a survey designed to determine food shopping habits and attitudes within a low-income, Mexican-American community in Denver, Colorado. May be used in learning about market research and its uses. TEACHER REFERENCE; STUDENT REFERENCE.

Brimmer, Andrew F. "Economic Trends in the Negro Market." Marketing Guide, May, 1964, pp. 2-7.

In this study of the Negro market, tabular presentations cover the decennial census period 1950-1960. It analyzes comparative changes in the patterns of consumer expenditures and structure of employment and income of the Negro-white population in the U.S. This material can be used in learning about market research and its use in marketing. TEACHER REFERENCE; STUDENT REFERENCE.

"Cable T.V." Black Enterprise, August, 1971, pp. 46-49.

Blacks join the race for lucrative operating rights, according to this article.

"Catering." Black Enterprise, January, 1972, pp. 34-38.

According to this article, catering was once the path to modest wealth in decades past. Today, however, few blacks are found in catering.

Cauthorn, Robert C. "Programming for Entrepreneurship among American Indians." Arizona Review, May, 1968, pp. 11-15.

The author outlines an experimental program designed specifically for entrepreneural development among Indians. He points out the serious and persistent socio-economic gap between the Indian and non-Indian worlds. This gap reinforces the Indians' feelings of inadequacy and dependency and supports the actions of defensive withdrawal and avoidance. TEACHER REFERENCE.

"Convenience Stores." Black Enterprise, July, 1971, pp. 35-37.

Delicatessen-style food marts present unique challenges for black entrepreneurs. Frank Hair of Washington, D.C., has organized his own corporation, Central City Food Stores. He hopes this will become a chain of black-owned and operated convenience stores.

"Crispus Attucks Comes to Wall Street." Black Enterprise, October, 1970, pp. 16-21.

Russell Goings, then 38, is the prime mover behind the effort. First he brought Wall Street to Harlem in the form of a branch office and subsequently it became the first black-owned company to gain a seat on the Exchange.

"How to Start a Business." Ebony, July, 1964, pp. 85-94.

This article points out the difficulties involved in starting your own business, especially for blacks. It then describes the steps involved in starting a business: e.g., self-evaluation, financing (methods and sources), location, control measures, and so on. May be adapted for classroom use. TEACHER REFERENCE.

"Jack Robinson; Successful Black Contractor." Engineering News-Record, September 9, 1971, pp. 18-19.

A successful black contractor's advice on how to succeed: get big.

"Minority Enterprise." Journal of Small Business, Special Issue, April-June, 1969.

These articles discuss ways businessmen and educators can assist new business formations in the minority community. They cover corporate spinoffs, private consortiums to finance and advise new enterprises, and ways to organize business. Educators can provide know-how much needed in minority business formations, and business schools can support all of these activities. TEACHER REFERENCE.

"Minority Firms Learn 'Where the Action Is' in Federal Procurement." Commerce Today, June 14, 1971, pp. 7-10.

This article tells of the new unit that seeks out suppliers, matches their products with government needs. TEACHER REFERENCE.

"Navajo Airline: A Dream Takes Wing." Black Enterprise, June, 1971, pp. 23-24.

Island-hopping pilot banks on freight to remain airborne. The plain blue and white sign on Ken York's door to his one-room office at Miami International Airport reads "Navajo Airline"; just airline, because York has only one airplane.

"New Horizons: Plastic Firm Head Urges Blacks to Get into Manufacturing." Ebony, January, 1969, pp. 52-56.

A veteran in the plastics industry, Harold Martin started Glopak Corporation in Passaic, New Jersey, in the fall of 1966; it has proven to be successful.

"A Promising Market: The Booming World of Retail Clothing." Black Enterprise, December, 1970, pp. 30-35.

This article views the perils and the promise of the apparel field. Overall, it is estimated that blacks spend at least 23 percent more of their income on clothing than do whites. This development has not gone unnoticed by merchants in the apparel industry.

Puth, Robert C. "Supreme Life: The History of a Negro Life Insurance Company 1919-1962." Business History Review, Spring, 1969, pp. 1-20.

This history of Supreme Life Insurance Company, now the third largest black insurance firm in the United States, is representative of its industry as a whole. In this first study of an individual Negro life insurance firm, the author suggests that Supreme Life may also serve as a barometer of future trends. Black firms now compete with larger white companies being drawn into formerly segregated markets by falling mortality rates and rising incomes among Negroes.

"Retailing." Black Enterprise, December, 1971, pp. 16-23.

This article states that a good location, courteous employees, quality merchandise, and an appealing manner of displaying it are some of the techniques that a successful retailer must master if he is to withstand competition from discount houses and branch outlets now being started by some department stores.

"Retailing: Black Christmas." Newsweek, December, 1968.

This article tells of Negro-run firms that make and market toys, gifts, and cards that reflect black pride, black talent, and black enterprise.

Ruffin, Frances E. "Peggy Pinn's Television Training School." Contact, October, 1971, pp. 32-33.

This article tells of the evolution of the National Education Television Training School (then entering its fourth year) as the result of a soft-spoken, dynamic woman, Peggy Pinn.

Sherwood, Hugh C. "Franchising: Big Business Cashes in on the American Dream." Business Management, August, 1968, pp. 27-34.

A section of this article tells how franchising now offers Negroes the kind of opportunity, almost non-existent in the past, to own and operate their own businesses.

"Shindana Discovers the 'Together' Dolls." Black Enterprise, December, 1970, pp. 24-27.

A black manufacturer, with an assist from a white toymaker, discovers the "together" dolls. In only two years, the company's sales have skyrocketed nearly 2,000 percent.

Thompson, Samuel C., Jr. "Black Ownership: An Analysis and a Proposal." Black Business Digest, November, December, 1971; January, February, 1972, parts I-IV.

These articles, appearing in four parts, have a threefold purpose: (1) to examine the economic realities which are characteristic of the black man's ownership aspirations; (2) to examine some of the recent activities and proposals for developing black ownership; and (3) to suggest the formation of both a large corporation and bank which would be owned and controlled by black people. TEACHER REFERENCE.

White, Wilford L. "Can the Small Smalls Be Saved?" Advanced Management Journal, January, 1966, pp. 34-41.

The author states that among the small smalls of today are some of the bigs of tomorrow; the businesses which will grow will depend upon the personal characteristics of the owners, their receptiveness to ideas from the outside, and the practical nature of such assistance as is available. TEACHER REFERENCE.

_______. "The Negro Entrepreneur." Occupational Outlook Quarterly, February, 1966, pp. 19-22.

In this article, Dr. White, an authority in the field of small business, states that the Negro entrepreneur faces the same problems as any businessman plus several peculiar to his race. Some of the obstacles seen in business and a suggested approach for hurdling them are discussed.

Young, Dr. Harding B. "The Negro Entrepreneur." A paper prepared by the Dean of Business Administration, Atlanta University, Atlanta, Georgia.

A discussion of factors that have aided or consituted barriers to Negro entrepreneurship, especially in the South. TEACHER REFERENCE.

Ziedman, Phillip F. "Franchising and the Negro Businessman." Remarks of the General Counsel, Small Business Administration, before a program on Franchising Opportunities sponsored by the Interracial Council for Business Opportunity of New York at the Columbia University Business School, May 13, 1967.

In this speech, the author states that many facets of the franchise system make it attractive to Negroes who aspire to own their own businesses.

FILMS

NOTE: These films were originally designed to be used with adults who are employed in management or supervisory positions. A few of those listed have a more general purpose behind their creation. In all instances, however, it is felt that the films can be used with junior high school students when the teacher has reviewed the films thoroughly and is prepared to guide the post-viewing discussion. All films are 16 mm.

CODE: AD = Adult
YA = Young Adult
C = Children

Anger at Work. 21 min. The transfer of anger and resentment from one person or situation to another is demonstrated in this story of Ed Wilson. Ed learns how to make use of the "headache switch" when he becomes angry with his boss. The film shows the problems of displaced aggression and poorly handled emotions. Concepts are somewhat blurred by the dated appearance of the film. AD

Automation. 84 min. Describes the applications of automation in industry, medicine, and the home and explores many of the problems it has created. Views of both labor and management are expressed in interviews with Walter Reuther, Thomas J. Watson of IBM, Dr. Gordon Brown of M.I.T., and John Diebold, pioneer in automation. One of the award-winning series of documentary films produced by Edward R. Murrow and Fred W. Friendly for the "See It Now" television program. YA-AD

Breakthrough to Progress. 25 min. Plant manager Walter Britt, aggressive but idea resistant, learns the value of employee suggestions when serious operational problems bog down production schedules. AD

Bright Young Newcomer. 8 min. A young girl, new to the office, develops a new filing system which causes friction between her and a senior employee. The senior asks the office manager to pull the reins on the new girl. The manager agrees but fails to follow through. Two weeks later he gets an ultimatum from the senior clerk. The film ends with a kickoff question to stimulate discussion. COLOR. AD

The Case of the Missing Magnets. 11 min. Using the "private eye" approach, the film uncovers the real reason why man-hours of labor are up and production down in Hank Grady's department. It shows how to motivate employees for better teamwork and productivity. COLOR. AD

Cash on the Barrel Head. 20 min. Demonstrates the value of fringe benefits to a company's employees by a series of humorous episodes featuring William Bendix and Tom D'Andrea. Although not a recent film, the characterizations make it interesting. The concepts are still valid; only the dollar values placed on fringe benefits require updating. AD

Challenge of Leadership. 16 min. Five men on a hunting trip on a remote island in the North Woods become stranded when their boat disappears. When three of the group start to panic, one man, Steve, quietly assumes leadership. Working with the fifth member of the group as his "staff man", Steve organizes the men into a functioning team, planning their survival, assigning jobs, delegating responsibility, and enforcing discipline. COLOR. AD

The Customer and You; Two-Way Communication. (2 Parts) 25 min. The basis for every successful sales interview is the ability to communicate. In a series of typical selling situations, the trainees are shown how to ask questions, listen, treat prospects like people, and speak the same language as the customer. YA-AD

Delegating Work. 9 min. Poses the problem of a supervisor's failure to delegate work properly; shows the serious effects on the supervisor's efficiency and personal well-being as well as on his workers. AD

Economics in Action. Set of 6 color film-loops in Super 8 cartridges, $149.70. Ealing, 1971. (89-1689/1) The Quarter Comes Back: Circulation of Money; The Price Is Right: Supply and Demand; The Money Pool: Investment Financing; Chain of Experts: Division of Labor; Push a Button: Automation, Labor Saving; Input and Output: Producing a Product. These loops help children discover for themselves certain basic economic principles by observing the behavior of individuals in everyday life. This set is designed to be compatible with the major programs in elementary economics. A teacher's guide and suggested lesson plan is printed on each film-loop box. C

1104 Sutton Road. 30 min. A dramatization of the various aspects and implications of productivity. A plant worker who wants to get ahead in his job feels his efforts are blocked by others. Through split screen technique, he sees himself in various positions from foreman to president of the company and comes to realize that it is his own attitude that is largely responsible for his feelings of frustration. COLOR. AD

Enforcing Rules and Procedures. 9 min. Dramatized case study simulates discussion about the ways to set up reasonable shop rules and procedures, together with the disciplinary methods that are effective. AD

Eye of the Beholder. 25 min. It appears that a murder has been committed. The witnesses to the previous 24 hours in the life of the man who is discovered with the body are asked to tell what they know of him. Their perceptions are all different. This film is an excellent one for teaching perception and interpersonal relations. Useful with all populations, the film lends itself to discussions regarding one's own perceptions. AD

The Follow Through. 8 min. The office supervisor, faced with an important deadline to bind and deliver some reports, instructs one of his girls in the operation of a new binding machine. He is unexpectedly called away, and returns to find the girl has failed to run the machine properly, thus missing the deadline. The film ends with a question to stimulate discussion. AD

Freedom 2000. 22 min. This film in animation and color helps to correct widespread misinformation about business. It deals with the building of the economic system, use of individual interests and skills, competition, and the interdependence of economics and freedom. To aid in presenting the film to students, a special teacher's guide has been developed for use in schools and colleges. It is distributed with each film at no charge. Available for rent or purchase through the National Chamber of Commerce, 1615 H St., N.W., Washington, D.C. 20006. YA-AD

Getting the Decision. 21 min. Examines three courses of action designed to help a salesman overcome his hesitancy to ask for an order. Points out the "decision signals" that indicate the prospect is giving serious consideration to the sale proposition.

Help Wanted: Secretary. 18 min. Set in a psychiatrist's office, this film humorously depicts an executive's traumatic experience of hiring a series of imperfect girls-Friday to replace the dream girl who quit to get married. COLOR. YA-AD

The Hidden Grievance. 7 min. Helps to make the supervisor aware of the need for sensitivity in recognizing and understanding underlying causes of an employee grievance in order to handle it satisfactorily. AD

Hope Electronics "In-Basket Case". 10 min. A filmed set of problems presented to a personnel director of a small electronics company. This film is intended to be used with study guides which describe the company and include written problems for the viewer. This film should be tried with advanced classes only, using the guides and preparing the class for the task to be performed. AD

How Much Cooperation? 8 min. A supervisor instructs his clerical employees to type a report before going home; since he is delayed completing the report, they must stay late, although he goes home. Two weeks later, when he asks another favor he gets a cool reception. Raises questions about what cooperation involves. AD

How to Conduct a Discussion. 24 min. A clear explanation of eleven basic principles which discussion leaders can follow to insure effective group discussion. YA-AD

How's It Going? 11 min. Four "case studies" deal with an important management activity: the interview. The studies serve as a springboard for analyzing the goals of the interviewer and the interviewees, the human factors involved in achieving these goals, and some methods for dealing with interview problems. AD

In the Middle. 8 min. During a slack period the supervisor must let one girl go. Learning that another section temporarily needs experienced help, he sends an older employee without telling her first. She complains to the top boss, and the supervisor is caught in the middle. COLOR. AD

The Inner Man Steps Out. 35 min. A supervisor has trouble getting along with others despite his earnest intent to follow good human relations practices. Finally he learns to recognize the "inner man" which exists in everyone—representing each person's needs for security and importance. AD

The Interview. 5 min. This animated cartoon of an interview between a square radio announcer and a beat musician who speak different brands of English is a delightful spoof on jazz, the middle class, and communications. COLOR. YA-AD

Jobs and Interviews: Getting Started. 15 min. This film shows how to go about looking for a job and offers valuable suggestions on an applicant's conduct at an interview. COLOR. YA-AD

Listen, Please. 10 min. A supervisory training film. It depicts a day in the life of an average supervisor, emphasizing the importance of listening to what others have to say. COLOR. AD

Mainline, U.S.A. 20 min. This film explains why the railroads are fundamental in our economy and what is required in the way of investment, plant equipment, and teamwork in order to provide reliable transportation. COLOR. YA-AD

Management Improvement: It's Your Business. 26 min. Through the use of animation, the film shows that good management means effective use of men, money, materials, and facility. COLOR. AD

The Marvelous Mousetrap. 24 min. Wally Cox is starred in an enjoyable and meaningful lesson on the American private enterprise system. Relationships are shown between the quality of each individual's work, the size of his company's profits, and the job security of all employees and executives. COLOR. YA-AD

A Message to No One. 26 min. The importance of listening is presented in this story of an American family. Each member is concentrating on his own problems and paying no attention to the others. Basic principles of good human relations based on the ability to listen provide good material for discussion on both a personal and work basis. COLOR. YA-AD

More Than Words. 14 min. The basic problems involved in effective communication are explored in this film. COLOR. AD

Office Courtesy: Meeting the Public. 12 min. The film dramatizes techniques for office workers in meeting and working with persons outside the company. It emphasizes the importance of courtesy and thoughtfulness and reveals how the employee's attitude may have considerable effect on his company's success. YA-AD

Overcoming Resistance to Change. 33 min. This is a supervisory development film which illustrates and discusses the human factors involved when change occurs in a company organization. Practical suggestions are given for gaining employees' acceptance and participation. The results of improper or ineffective methods of introducing change are shown as well. AD

Personal Financial Planning. 11 min. A typical teen-aged couple are used as subjects in this film on budgeting. It explains what determines the volume of one's lifetime earnings and what factors should be considered in wise personal and family financial planning. COLOR. YA-AD

The Personal Problem. 6 min. This film stimulates effective discussion about the nature and extent of help that a supervisor must be prepared to give to an employee with a personal problem that affects job efficiency. AD

Personality Conflict. 7 min. This is a dramatized example of what happens when two conflicting personalities must work together. It serves to stimulate discussion on the adjustments that supervisors and employees must make to have harmony and productivity.

The Poor Pay More. 60 min. This film probes the evidence that those least able to pay are most often victims of high prices, misleading advertising, entangling contracts, and exorbitant interest rates. Government-sponsored studies found that identical products in chain supermarkets are priced on a double standard, with items costing more in poor neighborhoods than in middle-class sections. Shoddy business practices are prevalent in slum areas, and time payments with hidden costs can be disastrous for low-income shoppers. This film can be used to stimulate discussion on the responsibilities of businesses to the community. (Produced by NET in 1967) AD

The Problem. 13 min. This is an animated satire on the creaky workings of a bureaucracy. A cheerful painter sets out to paint a trash bin. He asks which of two colors he should use, and his question is routed through a variety of organizational types. Reports and data pile up, and finally the problem arrives at the president's desk. He is just as indecisive as the rest, but at the crucial moment the painter has acted on his own. Everyone acclaims the brilliant solution although credit is misplaced. COLOR. YA-AD

Production 5118. 30 min. The play-within-a-play method is used to explain man's failure to transmit his ideas so that they will be fully understood by others. Useful to provoke discussion of problems of human communication. COLOR. AD

Promotion By-Pass. 8 min. A supervisor has to inform a long-service employee that he has failed to receive a promotion which has gone to a younger man. As a result the older employee quits. The film ends with the question, "What did the supervisor do wrong?" COLOR. AD

Sam'l and Social Security. 5 min. This cartoon describes the origins of social security, the basic provisions of the Federal social security programs in the U.S. and measures to be taken by citizens in applying for old age and survivors' insurance benefits. COLOR. AD

Something for Nothing. 25 min. Methods of consumer fraud, focusing on the most frequently used pitches, are exposed. Part of the film was made with hidden cameras during an actual hard-sell interview. Bait-and-switch, chain referral selling, and commission kickback tactics are outlined as well as recourses available to the unwary buyer. COLOR. YA-AD

Stock Watch — A Private Eye in the Public Interest. 12 min. What goes on behind-the-scenes of a stock exchange? This film takes a visual excursion and finds out—by way of the self-regulating activities of the American Stock Exchange. The film shows the day of a surveillance officer, traders in action, and the market in operation. YA-AD

Take a Letter, Please. 22 min. This film burlesques common faults of dictators identified as scatterbrain, speed demon, dreamer, mumblemush, and Simon Legree; it shows proper method of dictating letters. AD

The Trouble with Archie. 11 min. A case history illustrates the use of constructive criticism which corrects and salvages instead of punishing potentially useful employees. COLOR. YA-AD

The Trouble with Women. 7 min. This film provokes a useful discussion about the good points and drawbacks of women factory workers. It encourages an objective look at their role in industry. AD

The Wall. 4 min. This is a cynical comment on the people user, the person who watches while others struggle to make a breakthrough; he then takes advantage of their efforts and walks through the hole they made. The film can be utilized to stimulate discussion on the manager's responsibility to know his employees. COLOR. YA-AD

Wall Street. 51 min. This lively paced film sketches the historical background of Wall Street as the hub of financial dealings in the United States. Stock market activity is analyzed and the mechanics of trading in the Commodities Exchange are shown. This film can be used to broaden knowledge about stocks and how they are acquired. YA-AD

You Are Not Alone. 33 min. This is a dramatized case history of a young executive whose self-confidence is shattered when he is passed over for an important new position in his company. He becomes bitter, morose and argumentative. His job efficiency suffers as do his health and his relationships with his family. His family physician finds his problems emotional in origin and advises him to recognize his capabilities and limitations so as to gain understanding and acceptance, particularly self-acceptance. YA-AD

You, Yourself, Incorporated. 24 min. Joe Powell gives his formula for success. It includes establishing a succession of reasonable goals, overcoming fear of failure, choosing between security and opportunity, managing your time, developing proper attitudes and being a good self-manager. The film advises a person to manage himself as a business should be managed. COLOR. YA-AD

Your Job: Applying for It. 13-1/2 min. Interviews with workers of varying ages and education show that the way to apply for a job and get it is by following a planned procedure. The procedure includes getting enough good leads, sticking with it, selling yourself and making the most of what you've got. YA-AD

Your Job: You and Your Boss. 16 min. The relationship between worker and boss is seen from both points of view. Interviews with supervisors and employees at their jobs answer many of the important questions faced by young people regarding dependability, familiarity, and authority. Bosses and employees tell of the qualities they expect from each other. YA-AD

MISCELLANEOUS

GAMES

Dealer's Choice. Parker Brothers, Salem, Massachusetts. To be successful at Dealer's Choice, the player must learn relative values of commodities, market value, merchandising procedures, handling cash, inventory, and pre-paid assists dealing with financial and natural disasters and how to deal with sometimes "ruthless" competitors. To bargain successfully, the player must make numerous mental calculations in all of these areas. Throughout play he must develop his ability to represent verbally and concretely. The game's most valuable aspect is its ability to allow and encourage each player to develop and use skills during play. The person who can conceive of success not as an isolated factor, but rather as dependent upon both internal and external factors which may or may not be controllable, has the most success with this game. This ability seems independent of academic achievement. While some reading is necessary, it is limited and game success does not rely on it heavily. The game is very enjoyable to play.

Economic Decision Games. Science Research Associates, Inc., Chicago, Illinois. Economic Decision Games are a series of simulations that utilize structured role-playing exercises to develop an understanding of economic principles. Each game is a theoretical model of a real-life situation with certain assumptions that simplify the actual situation. The only game in the series that seems to be relevant to this population is The Firm. This game requires the students to form teams and elect members to six different roles representing one of the functions an entrepreneur must oversee. Each team member must keep his own work sheet corresponding to such records as balance sheets, income statements, cash accounts, etc. The mathematics attached to this are not difficult, since pre-figured multiplication tables are included. This game is appropriate to ninth graders and advanced seventh and eighth graders. It is particularly appropriate for inclusion in the math program since it teaches the economic principles of running a firm as opposed to overall business management.

Executive Decision. 3M Company Bookshelf Game, St. Paul, Minnesota. For 2 - 6 players. As a top-level executive of a large corporation, each player makes decisions regarding the purchase of raw materials and the manufacture and sale of finished goods. Since prices fluctuate according to supply and demand, each decision the player makes affects the overall profits (or losses) of his corporation. The player who succeeds in making the most profit for his corporation is the winner. The game is designed for adults, and it requires keeping track of the changing prices. It is difficult for the target age level, and time is required to get the game moving. The game can be stopped at any time, and a winner declared.

The Stock Market Game. Avalon Hill Co., Baltimore, Maryland. For 2 or more players. This game is designed for players aged 10 and up. There is a classroom version of play. The game does not require taking turns, but has buying and selling by all players simultaneously. A timer sets a one-minute time limit for placing market orders at the Trading Post. Trading then takes place. A second version of the game adds variety, depth, and additional interest to the game. Several versions are contained in the Investor's Manual, including one for 1929, the beginning year of the Great Depression.

SUBSCRIPTION DIGEST

Career Education Digest. Costa Mesa, California: Educational Properties, Inc. Published 12 times yearly.

This digest contains information on current thinking in the field of career education. It also presents information about new materials as they are developed, including sources for purchase. While this digest does not refer specifically to business ownership and management, it is a source for the classroom teacher through which new career education materials may be identified.